Daily Report

Latin America

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Peru

President Fujimori announces additional plans for reform within the judicial and penal systems, Lima TV reports. In a visit to a Lima prison, Fujimori says that prisoners who have been incarcerated longer than appropriate will have their cases reviewed and "will be released immediately following a public hearing." In addition, Fujimori reiterates his intention to reorganize the judicial branch by removing all corrupt officials.

A public opinion poll conducted in Lima shows continued strong popular support for President Fujimori, according to Lima TV. The poll shows that 72 percent of the people would support Fujimori if a national referendum were conducted now. It also reveals strong popular disapproval of the political leaders opposing Fujimori.

The OAS delegation, headed by Uruguayan Foreign Minister Hector Gros Espiell, meets with Foreign Minister Oscar de la Puente and, in statements made to the media, calls for the return of democratic institutionality as soon as possible, Lima TV reports. In his "fruitful" meeting with De La Puente, Gros Espiell says that they agree that the current situation in the country is "exceptional" and "temporary" and that a "democratic solution with a view toward constitutional democracy" will soon be agreed upon. De la Puente also believes the meeting was positive in that the "points of agreement are much more numerous than those on which we disagree," with the differences focusing on the form that the return of democracy will take.

Argentina

In a speech to the opening session of the 110th Congress, carried by Buenos Aires TV, President Menem describes the benefits of the "humanized market economy" his government has instituted to combat previous government efforts that were both recessive and hyperinflationary. Menem says his economic policies are part of a "new social model" that seeks to benefit the people by avoiding a hyperinflationary tax, allows cheaper loans, creates more and better jobs, and permits increases in production and consumption. In order to answer the economic needs of the nation, Menem believes it is necessary to take "creative risks, to bring back capital, to have trust in the country, to pay taxes," and to fight corruption in the public and private sectors.

NOTICIAS ARGENTINAS reports that President Menem believes that the U.S. Government "needs to revise some policies" following the recent wave of violence in Los Angeles and several other U.S. cities.

The Argentine Air Force will purchase 40 jets from the United States, the "first deal of its kind" since the conclusion of the Falklands War, the BUENOS AIRES HERALD reports. The deal is viewed by some as evidence of the close ties between President Menem and President Bush, according to the newspaper.

Costa Rica

San Jose radio carries President Calderon's state of the nation address to Congress. He gives an overview of the Costan Rican economy and society and cites examples of the progress taking place because of the economic policy instituted over the past two years.

Cuba

Officials Discuss Blockade in News Conference

FL0405211392 Havana Radio Reloj Network in Spanish 1954 GMT 4 May 92

[Text] During a news conference before Cuban and foreign journalists this morning, Alberto Betancourt, vice minister of foreign trade, presented a survey of restrictive measures, in all sectors, to which Cuba is subjected and stressed that never in the history of mankind has a country been blockaded to such an extent.

Hector Terry, vice-minister of public health, added that the United States cut off all sale of medicines to Cuba back in 1964, and that the disintegration of Eastern Europe has basically affected our ability to acquire raw materials for the pharmaceutical industry.

In answer to journalists' questions, Terry said that up until last Thursday, there were 772 AIDS carriers in Cuba.

ANAP Agrees To Fight Illegal Agrarian Sales

FL0405155792 Havana Radio Rebelde Network in Spanish 0900 GMT 4 May 92

[Text] The first accord reached by the delegates to the National Association of Small Farmers [ANAP] assessment meeting in Havana Province was to wage an intense fight against the illegal sale of agricultural products. Orlando Lugo Fonte, member of the Central Committee and president of ANAP, pointed out that the illegal sale of agricultural products is a disgrace, particularly in Havana Province where there are no limitations on what the farmers may produce. Lugo Fonte explained that this activity is a plague which has to be eliminated and that for this reason they are working toward eliminating weakness, drafting state share programs, and improving state collection mechanisms.

Yemeni Envoy Applauds Solidarity With Cuba

FL0405214892 Havana Radio Reloj Network in Spanish 1943 GMT 4 May 92

[Text] Yemeni-Cuban cooperation is becoming stronger in several spheres. The ambassador of the Republic of Yemen in Havana, Muhammad Abd-al-Rahman, called relations between Cuba and his country exemplary. These relations have been characterized by equality, honesty, and solidarity for a period of 20 years. The Arab diplomat highlighted increased collaboration between the two countries over the past few years on both diplomatic and political levels. He cited, as an example, the hundreds of Cuban physicians providing services in Yemen.

In an account of the ties with the Yemenis, on the occasion of the 20th anniversary of establishment of relations between the two countries, the ambassador mentioned the progress that has been made on economic and commercial levels since the signing of the protocol of the mixed commission last year.

Yemeni unity was achieved on 22 May 1990, which opened the way for greater national development in Yemen.

Haiti

Three Negotiating Trends Emerge in Assembly

FL0405213192 Port-au-Prince Radio Metropole in French 1600 GMT 4 May 92

[Excerpts] Three trends in thinking about the negotiations at the Villa D'Accueil are being observed in parliament. The National Front for Change and Democracy, FNCD, continues to support the Washington Agreement. A second parliamentary group prefers the formation of a consensus cabinet with provisional President Joseph Nerette and Prime Minister Jean-Jacques Honorat maintaining their posts. The third parliamentary group seems to support a solution that would be derived partly from the Washington Agreement, together with results of the Villa D'Accueil talks, to be ratified by the National Assembly or by separate chambers. Clarence has the following report:

[Begin Clarence recording] Three groups of ideas have emerged in the Haitian parliament regarding the negotiations being held at Villa D'Accueil. Three sentiments are being voiced. The Haitian parliamentarians involved in the talks at Villa D'Accueil since 29 April still appear to be divided over the trend that the tripartite meeting is taking.

The first group, the FNCD, remains fundamentally attached to the 23 February Washington Agreement as a solution capable of solving the Haitian crisis and of satisfying the national and international sectors involved in the search for a solution. The paliamentarians who support that idea are rather pessimistic about the results of the talks at Villa D'Accueil. [passage omitted]

Another parliamentary group, close to the executive, favors the formation of a consensus cabinet, keeping provisional President Joseph Nerette and Prime Minister Jean-Jacques Honorat in their posts. That formula would lead to holding new elections in the country, whose timing has not been determined. That proposal, presented by the executive in talks at Villa D'Accueil, is, according to Senator Eddy Dupiton, the ideal solution to emerge from the crisis. [passage omitted]

A third parliamentary group seems to support a compromise solution that would include the positions of the various parties involved, but would use the Washington document as a basis. That group also favors the idea of ratification by the National Assembly or by separate chambers of the results of the talks at Villa D'Accueil. [passage omitted]

Tripartite Negotiations To Resume 4 May

FL0405180792 Port-au-Prince Radio Tropic FM in French 1300 GMT 4 May 92

[Text] The negotiations among the three Haitian institutions—the Army, the provisional government, and the parliament—which were suspended on 30 April, will resume this afternoon at Villa d'Accueil. The temporary suspension of the discussions was because of the content the Chamber of Deputies' mandate, which was deemed incorrect by the tripartite assembly. That mandate given by the lower chamber to the deputies participating in the tripartite meeting required the ratification by the National Assembly of any decisions that might result from the negotiations. However, the tripartite assembly prefers that the ratification of the possible decision be made in separate chambers. At the beginning of today's tripartite meeting, the representatives of the Chamber of Deputies within the bicameral committee will perhaps have to present a new mandate with the modifications proposed by the tripartite assembly.

Government Deplores French Policy Toward Crisis

FL0405153792 Port-au-Prince Radio Metropole in French 1300 GMT 4 May 92

[Text] The Haitian Provisional Government has criticized the policy of France toward Haiti. In a note published on 30 April, the Ministry of Foreign Affairs deplores the biased policy exhibited by France in view of the Haitian and Peruvian crises. Haitian officials have ascertained France's behavior toward Peru through a statement made by Mrs. (Catherine Tasca), the French-speaking communities state secretary. Mrs. (Tasca) reportedly said that Paris had not suspended its assistance to Peru and that the issue of acknowledging Maximo San Roman as the new president of Peru has not been raised. Haitian officials, who are delighted about the attitude of France (?toward Peru), point out that in the Haitian crisis the notions of right and equity, as well as the cardinal principles of international cooperation do not seem to have been applied, unquote. [as heard]

Citizens Insist on Respect for 16 Dec Election

FL0405190792 Port-au-Prince Radio Metropole in French 1100 GMT 4 May 92

[Text] A group of citizens, representing various sectors and close to the deposed regime, have issued an advance condemnation of any solutions emanating from the Villa D'Acceuil summit that fails to respect the 16 December 1991 election. In a joint statement on 30 April, the citizens denounce any solutions that include a dissolution of the chambers, and condemn the results of any elections the provisional government might hold.

Cap-Haitien Senator Seriously Injured by Gunman

FL0405155592 Port-au-Prince Radio Metropole in French 1400 GMT 4 May 92

[Text] According to AFP, a member of the upper chamber, Senator Roul Remy, was seriously injured last night when an unknown gunman entered his Cap-Haitien home and shot him three times. The senator, who was repairing his car at the time, was shot in the chest, the shoulder, and the arm. He was still in the operating room of Justinien Hospital this morning. The reasons for the attack are unknown.

Senator Remy was elected in 1990 under the banner of the National Reconstruction Movement [MRN] presided over by Rene Theodore, the Haitian prime minister-designate within the scope of the OAS-sponsored negotiated solution to the Haitian crisis. He left the MRN soon after his election.

St. Lucia

Cabinet Ministers Sworn In on 4 May

FL0505113092 Bridgetown CANA in English 2141 GMT 4 May 92

[Text] [no place-name or date as received] [passage indistinct] The following is the list of ministers sworn into office here [St. Lucia] on Monday. Prime minister, minister of planning and development—John Compton. Deputy prime minister and foreign affairs, trade, and industry, and home affairs—George Mallet Minister of tourism, public utilities, national mobilisation—Romanus Lansiquot Minister of education, culture, labour—Louis George Minister of health and local government—Stephenson King Minister of communications, works, transport—Gregory Avril Minister of agriculture, lands, fisheries, and forestry—Ira d'Auvergne. Minister of community development, social affairs, sports, and co-operative—Desmond Brathwaite. Minister of legal affairs and attorney general—Lorriane Williams. Minister of state in the Ministry of Trade and Industry—Rufus Bousquet. Minister of state in the Ministry of Youth Affairs, Sport, and Cooperatives—Edward (Innoc) Minister of state in the prime minister's office—Senator Michael Pilgrim.

Costa Rica

Calderon Delivers State of Nation Address

PA0405135192 San Jose Radio Reloj in Spanish 2124 GMT 1 May 92

[State of nation address by President Rafael Angel Calderon Fournier to the Congress at the Legislative Assembly Building in San Jose—live]

[Text] Mr. President and deputies of the Legislative Assembly; Mr. President and magistrates of the Supreme Court; Mr. President and magistrates of the Supreme Electoral Tribunal; your excellencies the honorable chiefs of diplomatic missions; the honorable comptroller general and deputy comptroller general of the Republic; the honorable attorney general and assistant attorney general of the Republic; the most reverend archbishop of San Jose:

As required by Paragraph Four of Article 139 of our national Constitution, I am here before this honorable Legislative Assembly, which represents the sovereignty of the Costa Rican people, to report on the principal issues of the administration and the political state of the Republic.

This report represents for me much more than merely complying with a requirement of the Constitution. This date and this moment are significant because they mark nearly two years since the beginning of my administration. Therefore, it is appropriate to stop to evaluate our achievements, determine just where Costa Rica finds itself situated today, and prepare steps and goals that will allow us to progress quickly toward development.

This date and this moment are also significant for the Costa Rican people because we commemorate and celebrate the first anniversary of the issuance of the Centesimus Annus Encyclical. This encyclical has inspired and enlightened our path of economic and social reform, and it will continue to inspire our actions as statesmen for the next two years of the administration.

This message is not a report on the work done and it does not replace the records of the ministries, institutions, and other public offices. The parliamentarians will kindly refer to the corresponding annual records for specific and detailed reports on everything done by our administration during the most recent year. In this honorable and solemn hall, I thank The Almighty Lord for granting us the courage to engage in reforms that at one time seemed most unpopular, but that eventually proved to be necessary for development and the people's well-being.

Before the Supreme Creator of mankind, I recognize the nobility and capacity for sacrifice of our people who knew how to walk the path of difficult yet necessary reforms and attain superior levels of prosperity. Before the Supreme Master of history, I also recognize the contributions of this assembly along this path of reform.

Honorable deputies: For more than a decade, we have been dreaming of the Costa Rica of the 21st Century, of the Costa Rica of the new era. Almost two years ago in my inaugural address on 8 May 1990, we defined the great guidelines of that Costa Rica.

Almost two years ago, we defined in that speech the basic guidelines of our government: A government of the 21st century, a government of the new era; a government with morals committed to the struggle for the security of the citizens and against drug trafficking; a government of economic reform; a government of national consensus; and, above all, a government serving human development.

We were not elected to the Presidency of the Republic to administrate the traditional order, but to build the bases of a new era of prosperity. We have suffered for a time, as is always the case with reformers when they introduce new things and become the targets of criticism for those who benefit from the status quo and do not receive the support of those who continue to doubt until they receive the benefits of the changes. Nonetheless, a large number of people have remained loyal to the reforms, even at the most difficult moments. The number of people who recognize the advantages and benefits of reform continues to constantly grow.

Costa Rica has been and continues to be great amid peace and democracy. It is great because it respects human rights; it is great in social justice; it is great because it upholds civic ideals; and it is great with regard to human development. We are proud of this Costa Rica. We are living, however, amid a time of change. The world changed radically between 1989 and 1990. We have had the difficult but fruitful mission of being the first administration in Costa Rica of that new world.

Even though there are some setbacks, democracy is strengthened as a political system. A new world is born that defines the role and the size of the state on the path toward development. A new world of more open and free economies is being born everywhere. This new world brings us challenges, but it also brings us opportunities. It brings us the challenge of greater competition, the challenge of excellency, and the challenge of producing and exporting within a framework that is noted for its overall economy, politics, and culture. It is the challenge of a world that is moving quickly along the path of economic modernization.

As His Holiness Pope John Paul II has written, and I quote: Today we are experiencing a planetary economy, a phenomenon we must not ignore because it can create extraordinary opportunities for greater well-being. End of quote.

To survive and grow amid that world, Costa Rica must change, and Costa Rica is changing. Thanks to the capacity to adapt to the new international circumstances and thanks to the inborn creativity of all Costa Ricans, we are turning these challenges into opportunities. We have the opportunities of new markets to increase new

exports; the opportunities of more capital, investment, enterprises, and employment; the opportunities of increasing revenues and improving the quality of life. In sum, the opportunity to march with others from underdevelopment toward development, from an overprotected economy to an economy inserted into the international market.

A new moderated nationalism encourages us to change to survive, to modernize ourselves to grow more and better. It is a new nationalism that passes through economic modernization. A backward and weak economy leads to a backward and weak state. A weak state has trouble remaining sovereign. The path to greater autonomy passes through economic modernization and prosperity. The grandeur of nations is also defined by the dimension of its dreams. Thanks to the dreams of our predecessors, Costa Rica is today admired throughout the international community. Thanks to the dreams of our predecessors, we have built a free and peaceful democracy in the stormy center of the Americas.

[Text] Thanks to this we have also abolished the death penalty. Thanks to this ability to dream, we did away with the army and guaranteed the right of asylum to all those persecuted by dictatorships. Thanks to the ability of our forefathers to dream, we have initiated the first social-Christian reforms in America. We have always said that dreams are what motivated our ancestors. The dreams that moved the reformers and their achievements in social issues were grand. Nevertheless, history continues along its course and economic reform must follow social reform. Costa Ricans will continue to dream and continue to act in favor of economic development. We will continue to dream, thus honoring the memory of Ricardo Jimenez, Rafael Angel Calderon Guardia, and Jose Figueres.

This government was not created to enhance the privileges of its employees or administer things within a given order. This government was created to build for the future. Over the past two years we have set the foundations for a new era of prosperity. Thanks to the Costa Ricans' generosity, wisdom, historic intuition, and ability to sacrifice, we have moved peacefully through the most difficult period of reform and our country continues to be admired among the nations of the world.

Deputies: Upon closing the second year of our administration, it has become very clear to the majority of Costa Ricans that we have been submerged in the economic reform process since 8 May 1990. Costa Rica is experiencing its own modern age economic reforms, reforms that progress in a style unique to us. They are peaceful and gradual reforms by national consensus. This further demonstrates to the world that Costa Ricans are different, not of one party or another. Costa Ricans are different, not better or worse than others, but simply different. We have seen reforms that have included redefining the market as an instrument for resources, goods, and services, but without us becoming slaves of a market system. It is a process that favors an open economy and welcomes free trade agreements. The Centesimus Annus Encyclical states that not all economic issues can be left to move freely with the ups and downs of the market. It also points out, however, and I quote: It would seem that a free market, for national and international relations alike, is the most efficient instrument to move resources and to respond effectively to the people's needs. End of quote. This reform strengthens trust in the private sector, on an individual and collective basis, as the moving force behind growth, and promotes a new balance between the public and private sectors. It is a reform process that usually starts out along the unpopular road of fiscal and monetary discipline, and that is intended to halt infamous privileges, such as exemptions and excessive subsidies. It is intended to increase exports and local and foreign investment to accelerate development and attract revenue from other countries. It promotes the modernization of the economy and the state, without state dogmatism and with no returning to the past. It is a reform process that is not solely the invention of the government, nor should the government receive exclusive credit for it, because it is the product of the ingenuity, efforts, and ability of all Costa Ricans.

Thanks to a total national effort, in two years we have drastically reduced one of the highest fiscal deficits of the past 50 years— from 7.5 percent of the GNP to 1.9 percent at the end of 1991. Thanks to the patriotic spirit of this honorable Legislative Assembly, the approval of the law eliminating exemptions will make it possible to reduce the fiscal deficit to 1 percent of GNP by the end of 1992. To reduce the fiscal deficit from 7.5 percent to 1 percent of GNP constitutes an example to the world of fiscal discipline. All of this was possible despite the adverse situation created by earthquakes, floods, the Gulf War, and the world recession.

Today I would like to officially announce that, thanks to the efforts of all Costa Ricans, our gross international monetary reserve is close to $1 billion. As a consequence of our economic policy, the heavy influx of foreign capital to our country, the growth in our exports, the unprecedented number of tourists coming to Costa Rica, and the atmosphere of stability and confidence that our economic system offers, the foreign currency controls at the Central Bank have disappeared, and today the bank's international currency reserves are at their highest level in Costa Rica's economic history. This constitutes an example of monetary discipline for the world to see. Thanks to the efforts of the Costa Rican people, an economic recovery process began in February 1991. I must point out that, according to the monthly economic indicators at the Central Bank, the shrinking of the economy began in 1989 and ended in February 1991.

In the context of this recovery process, banana and coffee exports and tourism reached their highest levels in the country's history during 1991. Most of the country's traditional exports reached their highest levels in the economic history of Costa Rica. We have moved from a recession that began in 1989 to an economic recovery

that is beginning to show its first benefits. The recovery has begun. During 1991, amid a severe adjustment plan, our exports to Europe and the United States increased by 25 and 20 percent, respectively. All these figures are proof of a system that offers confidence and makes export growth possible.

I am happy to report that more than 500,000 tourists visited us. They came from the United States, Canada, the European community, Japan, and other countries. Their visits left us an income of at least $320 million. These are unprecedented figures in our history for tourist visits and income, and all despite a recession in the countries from where these tourists came. According to forecasts by specialists, this influx will continue to grow at an accelerated rate, therefore, tourism will soon become the country's leading source of foreign currency. The efforts of the exporters and those investing in tourism are being aided by the return of capital to the country and the drop in interest rates. The accelerated return of capital to Costa Rica is not only the result of the drop in interest rates in the United States, but also and above all, the result of our economic policy. It is a vote of confidence for our economic system.

Instead of moving on to other countries, money is moving to Costa Rica. In 1991 alone there was a 35 percent increase in deposits in U.S. dollars. During 1991, the capital flowing into Costa Rica totalled $478 million; in 1990, the total was $135 million. This means that during 1991 the funds flowing into Costa Rica were three times as much as in 1990. During 1991 there was a $515 million increase in our net international monetary reserves. Interest rates have dropped 10 points over the past six months and continue to fall. The repatriation of funds and the drop in interest rates is beginning to show up in the form of increased credits and investment, and therefore, greater economic growth and more job opportunities. Hence, the economic growth rate for 1992 will surely be much greater than that of 1991.

After 20 months of responsible economic policies, the massive amount of international monetary reserves has opened the way for several reforms, which were previously considered utopian for an economy such as ours. Over the past two months, reforms have been introduced with regard to economic liberalization and the introduction the Costa Rican economy into the international market. A entire range of reforms have been implemented to free the exchange rate. These reforms include the elimination of collateral deposits, and the liberalization of exchange rates and capital accounts. These reforms promote local and foreign investment and the creation of new jobs. All of this is carried out under the vigilant eye of a Central Bank, which is determined to prevent strong fluctuations that might jeopardize economic stability. Instead of a spectacular devaluation of the colon, these past few months have brought a revaluation of the colon, much to the surprise of the critics.

A consistent and gradual process has begun to open our economy to the international economy, with a seven-point reduction in import taxes for 8,000 products as of 1 April 1992. This economic opening will provide the Costa Rican people with a wide range of quality products at better prices. As part of this tariff reform, the highest import taxes will be cut to 20 percent, except for footwear, textiles, and clothing, in a process that will conclude in March 1993. Simultaneously, we are experiencing success with the liberalization of consumer prices. The economic opening and the liberalization of the economy, in conjunction with the elimination of 260 tax exemption laws, prepare the way for better living conditions for the Costa Rican people in various respects. While they will help to reduce the inflation rate and the cost of living and promote foreign investment, they will also provide access to the major international financial sources, allowing the imminent pardon—or partial pardon—of our bilateral debt with the United States, thus permitting us to participate in President Bush's Enterprise for the Americas Initiative. This participation will mean a greater increase in investment and in job opportunities. By creating new jobs, the economic reform process is true to our dedication to social justice.

The achievements and economic reforms have begun to slow the rate of inflation. Actually, the rate of inflation has dropped from 27 percent in 1990 to 25 percent in 1991. Furthermore, it is interesting to note the monthly rates of inflation in the last five months of 1991 are substantially lower than those in the first seven months of 1991. We have had high rates of inflation during the first two months of 1992, but the exchange rate reform and the subsequent reevaluation of the colon with the tariff reform will result in a lower rate of inflation, close to 16 percent during 1992. Much to the satisfaction of all Costa Ricans, this means a reduction in the cost of living.

The process of economic reform is accompanied by a dynamic and creative foreign trade policy. We feel free trade is one more force to join the developed world, a force that in its first stage means an increase in investments, trade relations, competitiveness, and employment opportunities. That is why we have accepted the challenge of President Bush's Enterprise for the Americas Initiative.

As the IDB report on the economic and social progress in Latin America during 1991 says, and I quote: Among the Central American countries, Costa Rica was the first one to answer the Enterprise for the Americas Initiative and to negotiate a basic agreement on trade and investments with the United States, which could lead to a possible free trade agreement. End of quote.

From the beginning of our administration, we became full and active members of GATT. In these two years, we have advanced in negotiating free trade agreements with the Governments of the United States, Mexico, Canada,

Venezuela, Colombia, Chile, and other friendly countries. The process of economic opening and tariff reduction expedites these negotiations. We are viewed as a more modern country.

Recently, Central America has managed to eliminate tariffs for most of its products entering the EC. As 30 percent of our exports go to the European market, this achievement allows an increase in exports, investments, revenues, and employment opportunities for the coming years. This shows that economic opening and free trade, managed according to national interests, facilitate our joining the advantages of the developed world. Costa Rica is at the vanguard in the struggle for new markets for Central American products. The economic recovery is on its way.

As recognition of our responsible economic policies, we have begun to receive rewards from the international financial organizations. The overdue payments at the end of 1991 with the Paris Club were canceled at the end of January 1992.

I am pleased to report that Costa Rica is deeply respected in the international financial community. Among the rewards, we can emphasize the following: First, the renewal of the agreement with the IMF. Second, the recent public support of the World Bank for our economic reforms. Third, the World Bank disbursed $50 million corresponding to the Second Program of Structural Adjustments. Fourth, IDB loans began to arrive, and very soon we will also be celebrating that our foreign debt with the United States has been forgiven or partially pardoned.

[Text] This forgiveness of the debt represents $200 million, and subsequently the renegotiation of the residual debt could then be negotiated under more favorable terms for Costa Rica. Once the debt is forgiven, we become part of the Enterprise for the Americas Initiative and this opens the door to the largest common market on the earth: the North American free trade market.

At the signing of the debt forgiveness, there will only be one winner—Costa Rica. We have a long way to go to match the economic reform with the state's modernization. True, we should be very pleased with events such as the democratization of the National Production Council's [word indistinct]. Events such as these demonstrate that these processes can favor our community's most legitimate interests. It is also true that we have made progress in our struggle against those hated privileges through the approval of laws related to labor agreements, CAT's [Tax Credit Certificates], and exonerations. During this new administration period, however, we must make much more progress on the state's reforms and modernization. Only in this way will we have a nation that is in line with the needs of the new world, capable of accompanying economic reforms with efficiency.

Deputies, peace is the result of development amid justice and liberty. Development revitalizes democracy. Development must be comprehensive, however. This development must have a human touch. The goals of development require the decided international cooperation of our allies. This holds particularly true for our allies from the developed world such as the United States, the European Community, and Japan. The goals of development can be reached in a relationship of mutual respect and cooperation with international financial institutions, particularly with the IMF, the Club of Paris, the World Bank, and the Inter-American Development Bank [IDB]. To progress in our development, we also need the cooperation of international organizations such as the United Nations and the OAS. We have revealed active economic diplomacy for development, diplomacy in search of new investments and credits, new trade relations, new opportunities for creating jobs. We are fully conscious that development is not a matter of isolated nations. Development is a matter of nations united.

Deputies, my entire life and the lives of the members of my family have been devoted to causes of social justice. In my inaugural message on 8 May 1990 I clearly stated this administration's commitment to social justice. However, the negative economic inheritance I received forced me to postpone or curtail many of my goals in that area. Halfway through my administration, I still believe that only development amid social justice can immunize democracies against totalitarian threats from the left and the right.

We are experiencing times of change. My administration has been and will be an administration of change. Changes intended to create a new world have entailed certain costs. Every change and every reform in human history has entailed costs. Nevertheless, while those who yearn for the past concentrate obsessively on the costs of change, the builders of the future concentrate on the goals and fruits of reform and change. Dialectical tension between those who cling to the past and those who dream and build the future is the tension that has made human progress possible.

History is marked by a struggle between traditionalists and reformers. History is fluid, and if yesterday's reformers fail to keep up with the times, they will become today's conservatives—the new conservatives.

In promoting modern economic reforms in Costa Rica, we have not forgotten for even one minute our social justice commitments. In promoting reforms to achieve economic stabilization and growth we have not sacrificed achievements in human development.

With profound satisfaction I report to this illustrious Legislative Assembly that over the past two years our fatherland has continued to be one of the countries of the American continent with the highest rates of social investment.

Costa Rica is great in terms of human development despite being involved in its most intense period of

economic reform. The 1991 UN report on human development textually states, and I quote—Costa Rica has reached an outstanding level of human development. Its public and social expenditure rates are high and the country's human development level is close to that of Europe—end quote. Based on analysis of these rates and indicators, the report states textually, and I again quote—Costa Rica continues to be an outstanding example of human development in Latin America and the world—end quote. All this was accomplished after having concluded [as heard] the most intense period of economic reform. This confirms our thesis that we have maintained our commitment with human development even during a period of severe economic reform.

This is why the 1991 UN report on human development classified Costa Rica as a country with high human development in the same group with such countries as Germany, Sweden, Switzerland, Australia, Canada, France, the United States, and Japan. This was achieved during the period of most intense economic reform. The fact that we have been included in the same group as the world's most outstanding countries in human development is reason enough for all Costa Ricans to feel proud. According to the most recent reports issued by the Economic Commission for Latin America, Costa Rica has the highest social development rate in Central America and one of the highest in Latin America.

Moreover, in analyzing the central government's social expenditure for the most recent years, we find the following results: 37.6 percent of total expenditure dedicated to social programs in 1989, 37.1 percent in 1990, and 38.4 in 1991. In other words, the share of social expenditure out of total expenditure increased from 37.1 percent in 1990 to 38.4 percent in 1991.

Behind this backdrop of a Costa Rica that stands as an example of human development in Latin America and the world, I wish to report to this Legislative Assembly on some of the progress made in this area over the past year. In 1991, the housing sector built 21,179 homes that benefited more than 110,000 people. These are real figures backed by public documents and they pertain only to home construction.

Moreover, the housing sector financed 610 lots and 2,067 repairs and improvements. Repairs and improvements are not included in the home-building category. In 1991, the government distributed 15,009 free housing vouchers, totalling more than 5.373 billion colones, benefiting about 75,000 people.

This administration has so far distributed and pardoned 51,000 free housing vouchers. At this time, as I deliver this speech, 23,000 houses are about to be or are in the process of being built. I am also pleased to report that active housing interest rates were reduced recently and that we have established a 1 billion-colon fund for housing loans for the middle class. The interest rates on these loans will continue to drop. Our goal is to offer new opportunities for the construction of middle-class housing.

All these achievements in housing over the past two-year period allows us to report to the Costa Rican people that we will reach our goal of building 100,000 new houses during our administration. Once again the most intense period of the economic reform did not stop advances in the area of human development and social justice.

A total of 40,000 food coupons are distributed monthly. These coupons are exchanged for basic provisions by the elderly, mothers who head households, and the handicapped. These coupons benefit 22,000 families and 110,000 individuals per month.

The Agrarian Development Institute has promoted a land ownership process to benefit our peasants. By the end of December 1991, peasants had received 10,861 deeds for a total of 69,529 hectares of land. As the second year of my administration comes to a close, our peasant population has received 14,316 deeds.

The free housing voucher and food coupon programs, as well as the peasant land ownership program, are examples of a policy whereby wealth is distributed, which is essential for the consolidation and survival of any democracy.

To create and distribute wealth is a fair balance. It is the model that has guaranteed the political and social stability of Costa Rican democracy. Coordinated by the first lady's office, work has been initiated on one of the programs of greatest social interest for this administration. I am referring to the community home program, which is inspired by the noblest ideals of social thought, thought that defends women's rights. The managers and directors of this program are promoting the establishment of a community home in every neighborhood.

Thanks to these homes, many Costa Rican women are becoming owners of small businesses that serve the community, and thanks to this program, many Costa Rican women are able leave their homes every day to earn a living, free of worry, knowing that someone is caring for their children in a humane and efficient manner.

Another social interest program is intended to strengthen the small and microbusinesses of the informal urban sector and the peasant economy. The program's direct beneficiaries are self-managed and jointly managed groups, cooperatives, microbusinesses, small businesses, productive projects by community development associations, labor unions, solidarity associations, and other productive organizations. This is the economic democracy that consolidates political democracy.

The program includes services such as credit, technical assistance, training, trade and technological development, and the improved use of productive resources. Available at this time are 1.2 billion colones in national

resources and 749 million colones in foreign resources. The use of these resources during 1992 will lead to the creation of 14,000 new jobs exclusively under this program. The program is being carried out throughout the entire nation, but with particular emphasis on areas that face the greatest social problems.

This year the program to privatize the cigar stores [estancos] owned by the National Council for Production has concluded with overwhelming success. Thanks to this program, 155 cigar stores have been transferred from the government to the private sector.

The changes implemented have benefited those Costa Ricans who previously described themselves as public sector wage earners and who have now become cooperative entrepreneurs. This has been an experience that has served to demonstrate how some forms of privatization are entirely compatible with the development of social and economic democracy. Other employees from other public and state-owned enterprises can eventually follow the path of emancipation outlined by the experiences of the National Production Council. This is a path intended to strengthen all civil societies as well as all workers organizations.

During the second year of this administration that is about to conclude, we have been able to progress in humanizing and democratizing the health and social security services. The Costa Rican Social Security Institute has reached its 50th year of existence amid a process of constant consolidation and improvement. At this time it is an institution being emulated in Latin America and in other countries of the world. Over the past two years we can rightly say that its pension system has been able to survive and become more democratic for the benefit of future generations. Costa Rica now shares with Uruguay the privilege of being the two foremost countries in America that invest in social security, while the Costa Rican citizen's life expectancy is one of the highest in the world. In addition, our death expectancy rate is gradually being reduced.

Several weeks ago, the IDB praised some of Costa Rica's social indicators that rank among the best throughout Latin America. Among these social indicators we can mention life expectancy at birth and the low rate of natural death related to levels of poverty and education. According to the IDB, Costa Rica is first in Latin America in life expectancy at birth. This is a positive example of human development that at the same time tends to favor economic development.

Some infectious diseases are once again affecting us. Neither the Costa Rican Government nor our health system should be blamed for this. It has been due to the consequences of the war in Central America and some epidemics that tend to occur every year. The war against the cholera epidemic has tested our health system. The treatment applied allowed the rapid recovery of all affected persons. The intensive prevention campaign we have been carrying out for several months has allowed us to face this challenge with success. Costa Rica is ready to face the cholera threat.

Deputies, as Costa Ricans we are all proud of the human development achievements we have been able to accomplish. However, progress means never standing still. The objectives we have been able to accomplish force us to continuously search for new goals. Thanks to the patriotic spirit of this honorable and generous Legislative Assembly, the approval of the tax abatement law will allow us to not only eliminate or reduce privileges, cut the fiscal deficit and the inflation rate, and obtain new million-dollar loans, it will also allow the possibility of freeing economic resources that will thus be allocated to housing programs, health, education, and other programs that will encourage human development. The struggle against privilege is then a struggle in favor of social justice.

Thanks also to the responsible and patriotic spirit of this Assembly, halfway through 1992 we are able to grant to the private sector a salary increase that surpasses the inflation rate accumulated during the first six months of 1992. Thanks to this Assembly we expect to be able to increase Costa Rica's human development indexes even more, by approving the law that creates the Family Institute during the legislative year that is beginning. This is a project intended to humanize and perfect the social and moral nucleus of Costa Rica's way of life. By creating more and more community homes, protecting our children and youths from drug addiction, and creating the Family Institute, we will remain faithful to our humanist and Christian inclinations. Like our parents and grandparents, we will continue to dream and work toward the achievement of a more humane Costa Rica, a Costa Rica more in harmony with nature.

Sustained development is an essential variable of human development. We want a fatherland that is free of atmospheric contamination. Today we know that environmental problems have international causes that require international solutions. Over a year ago we presented to the world a proclamation on the environmental issue, with a proposal to build a new international ecological order. We thus helped raise the awareness of friendly governments and countries with regard to the environment. At this moment we are transforming that proclamation into specific proposals with specific solutions, which I will present this year in Rio de Janeiro, Brazil, during the world summit on the environment.

Day to day we work on reforestation programs. During 1990 we reforested 19,000 hectares of national territory. During 1991 we reforested 18,000 of national territory. By the end of my administration we will achieve our goal of 90,000 reforested hectares.

Thanks to this entire effort, in 1991 Costa Rica received the St. Francis of Assisi Canticle to Creatures international award for environmental protection. This recognition has further reaffirmed our determination to continue the environmental struggle. At stake in this struggle is not only the fate of nature and the planet earth, but the fate of the human family itself. The Rio summit should mark the beginning of a new environmental era.

Deputies, the Costa Rica I have dreamed of for my fellow citizens should not just be great in material well-being; first and foremost it must be great in spiritual and moral well-being. The new era of modern economics must be accompanied by a new era of respect for moral and spiritual values. Development with social justice must be fed by a healthy cultural framework that must basically emerge from our forebears' great values.

Two years ago I initiated this administration with the firm intention of combating every form of corruption that prevailed at the time. Two years hence, it is obvious, public, and well-known that I have been faithful to my commitment to moral and religious values.

The Costa Rican people have always been proud of their morals, of their moral and religious values—values that have made us great in the concert of nations. We are, by tradition, a moral power, a spiritual power. In a world filled with violence, we have been a peaceful people; in a world filled with conflict and discord we have been a tolerant and friendly people; in a world of social disintegration we have been a country of united families. This is our heritage and characteristic. We are special, we are different. Changes around the world, nevertheless, often threaten our values.

Some Costa Ricans have involved themselves in various forms of moral decadence that are foreign to us; a few have joined the inhumane drug business and another few have fallen prey to various forms of corruption. These people represent precisely the opposite of what the Costa Rican people want and value. They do not represent Costa Rica's most true values. They represent malignant forces that threaten our dignified Christian existence.

Even though throughout these two years we have made progress in defending and strengthening our Christian values, from this moment I am calling for a redoubling of efforts in a new national crusade of commitment to morality and to the recovery of the values that have made Costa Rica great. All of us are permanently committed to morality.

As president of the Republic, I will be alert and vigilant for any form of corruption in public administration. Before this honorable Legislative Assembly, which legitimately represents the Costa Rican people, I renew my pledge for morality in government. I urge all of the employees in my administration to step up their efforts in the struggle against corruption and drug trafficking. I concurrently proclaim that my hand will not tremble in promoting and making possible the punishment of individuals who, taking advantage of the Costa Rican people's confidence, at some time may stray from the path of respect for our laws, and for the Costa Rican people's moral and religious values.

For two years we have made progress in th struggle for citizen safety; it is a struggle for which we certainly need more resources. For two years we have waged a tenacious and tireless struggle against drug trafficking, which is a dark power that has no respect for borders, age, or moral values. For two years we have participated tirelessly in the struggle against this threat, which is destroying our children, youths, and families.

Through an agreement with the U.S. Government, very soon we will begin operating a radar system which, connected to a Central American network, will allow us to control our airspace and detect suspicious aircraft in a timely manner. Through this powerful instrument we will increase our capability to struggle against drug trafficking.

There have not been—and I hope there will not be—any well founded reports of corruption within this government. This alone represents monumental progress compared to years past. Nevertheless, I am alert not only to the possible emergence of corruption cases within the public administration, but to the possibility that certain people, amid the uproar of premature and extemporaneous electoral struggles, may resort to campaigns of defamation and plots against public officials, for the simple purpose of gaining electoral advantages. I will be a channel, not a hindrance in the application of the law.

The duties of individuals go beyond the fulfillment of laws and demand a commitment to moral values. I am solemnly committed to Costa Rica's edification as a moral power, as a power in the area of respect for moral and religious values. This is the Costa Rica that I received from my parents and grandparents, and it is the Costa Rica that I must bequeath to future generations.

Deputies, the past two years have been difficult for Costa Rica and the government. Some have criticized this government's policies, some have complained about its actions, and some have doubted its ability to deal with Costa Rica's problems. Nevertheless, the answers for these critics lie in the results achieved. The answers are in the progress made. The answers to their disbelief is obvious, and now we have results, proof, and evidence that Costa Rica is functioning. The world has changed. We are changing. Costa Rica (?expresses itself) through dialogue and consensus.

We are changing. Over the past two years we have stepped inside the doorway of a new era. We have taken the first step toward the 21st century. Today we are closer to the Costa Rica of which we have dreamed. Nevertheless, we must not be dismayed halfway through our course. We must go forward.

During the next two years one of our priorities will be the continuation and consolidation of the economic reforms. In 1992 we will have a fiscal deficit equal to 1 percent of our gross national product [GNP], and an inflation rate of approximately 16 percent. We expect international reserves to increase by $110 million. We will experience the positive effects of the tax reduction process and freeing foreign exchange rates. Among these positive effects, we can mention a drop in inflation and the cost of living. We can also mention an increase in investments, a rise in the growth rate, and increased employment opportunities.

Costa Rica's process of incorporating into the world economy will be accompanied by a rational program of industrial transformation. In the next few months we will be receiving good news, such as the approval and allocation of loans earmarked for development by the international financial institutions; good news, such as the partial forgiving of our bilateral loans by the U.S. Government; good news, such as an increase in wages greater than the inflation rate accumulated during the first six months of 1992.

During the start of the new year of our administration, we will move forward by signing free trade pacts with the United States of America, Mexico, and other friendly countries. In the next two years, we will continue to knock on doors and open the market for our products. We expect to leave as our legacy to future generations a Costa Rica firmly entrenched in modern economic processes, a Costa Rica firmly participating in the North American free trade zone currently being negotiated by the Governments of the United States, Mexico, and Canada.

We cannot successfully participate in a world geared toward excellence and competitiveness if we continue to rely on a state apparatus suitable to the 19th or the mid-20th Century. We cannot successfully participate in the North American free trade pact with a sluggish, expensive, overextended, and inefficient economy. Or with a state apparatus that spends excessively on bureaucracy and excludes widespread autonomous participation. Every modern economy needs a modern state, a state that will lead and not scuttle development. Beyond any form of 19th or 20th century dogmatism, today we must build in Costa Rica a state suitable for the 21st century. Not a 19th century state, nor a 20th Century state, it must be the 21st century state, a state that will guarantee the well being of every citizen, a state at the service of every Costa Rican, one that will promote development, a modern and efficient state.

In the next two years our foremost priority will be the continuation and consolidation of the state's reform and modernization. This honorable and illustrious National Assembly will be in charge of this task, which cannot be delayed any longer. By approving and upgrading the state reform legislation, this National Assembly will go down in history as one of the most productive, responsible, and visionary.

Our children expect the approval of laws that will allow the sale of state institutions to groups of organized workers. They expect the approval of the law that governs labor relations between the state and its employees, and the public works concessions law. Most of all, our children expect the approval of the economic democratization law.

While in other countries the state is reformed by force or by decree, in Costa Rica we have chosen the path of consensus. Once again Costa Rica's style of making changes has prevailed. A united Costa Rica is moving toward development.

Even amid the state economy reformation during the second phase of my administration, I will guarantee Costa Rica's human development achievements. Moreover, the approval of the exemption law and other laws will allow us to release resources for housing, health, and education—in other words, the social field. The economic reform is gradually proving that it is compatible with human development.

Over the next two years we plan to be even closer to those countries and international organizations that promote human development. We want to do more for our children and youths. We want to be closer to the needs of those people who have the least. We are moving toward increasingly auspicious circumstances to make our permanent ideals of social justice come true.

Emilio Grus Jimenez, a respected Costa Rican business leader, has written, quote, 1992 will mark the beginning of an era of sustained growth for the Costa Rican economy, unquote. (?New) macroeconomic figures are spilling over to Costa Ricans of all social levels. As the head of the great Costa Rican family, I am optimistic. Today I am happy, happier than on the first day of my government, because two years ago we were entering difficult waters and now we are entering calmer waters. Two years ago the reforms began, today we are experiencing their initial results. He who sows, reaps. Costa Rica has sown. Costa Rica is reaping. Costa Rica is on its way. The economic reform is progressing. The economy is improving. Costa Rica is an example of social justice and human development. Costa Rica is on its way.

On this honorable and solemn stage I thank the supreme lord of life, because he has given us the courage and bravery to undertake reforms that at first seemed unpopular, but as time passed proved to be necessary to achieve popular well-being and development.

Before the supreme lord of history, I acknowledge the great nobility and understanding of a people, just as I acknowledge the contribution of this assembly along this path of reform.

Thanks to the people of Costa Rican. Thanks to the deputies for making it possible for Costa Rica to enter the 21st century. Thanks for making it possible for our children to continue to live in a fatherland that is

dignified, prosperous, and admired by the world. Costa Rica is on her way. May God bless you. Thank you very much.

El Salvador

Cristiani Discusses Security Corps, Other Issues

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[News conference by President Alfredo Cristiani at the Presidential Palace in San Salvador with unidentified moderator and foreign and local reporters—live; broadcast in progress]

[Text] [Cristiani] ...on the other hand, there are even those who swore to comply with and enforce the Constitution. Thus, there is no territorial problem. It is logical, to a certain extent, that we do not approve of any display of aggression toward the concentrations of the Farabundo Marti National Liberation Front [FMLN] by any aircraft. The UN Observers for El Salvador [ONUSAL] has confirmed that the Salvadoran Air Force did not overfly those areas. However, ONUSAL did confirm that certain military aircraft overflew them, creating some problems. The origin of the aircraft is being investigated.

As for your second question, our rule is not to jump to conclusions. I do not think it is advisable to speculate or hypothesize about that situation. I believe that as a government we have shown we are determined to comply with the peace agreements. The political willingness is there and we hope the FMLN will reciprocate by showing it is committed to the agreements it signed.

[Moderator] Erwin Narin, of LA PRENSA GRAFICA.

[Narin] Good morning, Mr. President. Many false expectations concerning the agreements have arisen. An example is the case of the National Guard. The people really thought the National Guard and the Treasury Police were going to disappear. The agreements state that they would only have the duties of a public security corps. However, there has been some frustration and some nationwide political discussions. Such problems could continue.

I believe the government has the responsibility to clarify or reveal the details of all the agreements and their juridical interpretation; it should explain such groups as the United Nations, which supported the agreements. What will be done to prevent such problems in the future, Mr. President?

[Cristiani] We think dialogue is the appropriate way to solve the problems, although we must say that the politicization of certain issues often complicates matters. Perhaps you recall the great debate at the Legislative Assembly to reform the National Guard and Treasury Police; it entailed the elimination of the security and public order mission from the respective laws. The opposition first protested, but eventually signed the commission's favorable decision.

Therefore, we believe there is much politicization. There is an attempt to play politics without taking into account the confusion and problems it creates for the peace process. We have, as much as possible, clarified aspects of the peace agreements. We have also done so with the National Guard and Treasury Police.

I repeat, there has been an attempt to attach too much symbolism to the issue when in fact the National Guard and Treasury Police are two units that as such will cease to exist as a result of the Armed Forces' reorganization. We will establish a unit whose mission will be completely different than that of the National Guard and Treasury Police. Its mission will be to guard our borders, our territorial integrity. That is a mission of the Armed Forces. We would also establish a military police, which is a common part of all world armies. It would ensure the discipline and good behavior of the members of the armed institutions.

Therefore, no tension should exist as the two units have no other mission than to provide security and public order. That is, they have no contact whatsoever with the community through their mission. That is the current situation.

I think the debates heat up because of a lack of true knowledge about the overall scope of the agreements. Nevertheless, we will continue to report on the agreements and their interpretations. We believe, however, that permanent communication with ONUSAL, Copaz [National Commission for the Consolidation of Peace], and the FMLN—through the commissions that have been organized—is the way to solve such problems. Of course, we hope the politicization of certain issues will soon end. There is no reason for it; it only complicates the fulfillment of the agreements.

[Moderator] [Name indistinct] from Radio Cadena de Oro.

[Radio Cadena de Oro Reporter] Mr. President, on several occasions the coordinator of the National Civilian Police [PNC] and the Human Rights Prosecutor have complained that you have not given them the support they need. They claim that at times they do not even have an office in which to operate. They specifically state that you have not complied with the agreements in the two cases. That is my question.

[Cristiani] Regarding the PNC coordinator, he has a temporary role. His role, specifically proposed by the United Nations, is meant to facilitate communications and to coordinate foreign consultations. It is not a permanent position. We have tried to comply with whatever the coordinator has requested. What is important in the case of the PNC, however, is their sending to Copaz the list of three candidates. The permanent PNC director who is to be chosen from that list will then

become a permanent official in the country; consequently, he will receive the internal as well as the external support required by the PNC.

Regarding the Human Rights Prosecutor's Office, an analysis has been made of that institution by the Treasury Ministry regarding the budget presented by the Human Rights Prosecutor himself. The government's grave fiscal situation is common knowledge, therefore, we think one must be realistic about the budget. When the budget was received from the prosecutor, a distortion in the salary levels was noted within that new government institution. The salaries differ to a great extent from those of the other Attorney General's institutions, such as the Prosecutor's Office, the Attorney General's Office, and the Court of Accounts of the Republic. We cannot alter certain aspects; we must maintain the normal salary rates in the public sector, including the Attorney General's Office. That is why there has been some delay, not because there is a lack of willingness to support that office or that institution. There are certain steps that must be complied with to approve the advance that he has requested. I repeat, however, that the salary levels are not in keeping with what is normal, and that would cause some difficulties with the other three institutions within the Attorney General's Office. Several meetings have been held in that regard and we hope it can be solved as soon as possible.

[Moderator] Mr. Javier Rivas, from Radio Cadena YSU.

[Rivas] Mr. President, the Catholic Church yesterday blamed the government and the FMLN for the climate of uncertainty prevailing in the nation regarding the fulfillment of the agreements. Monsignor Rosa Chavez said that both sides are responsible for the climate of uncertainty. He asked for a more responsible and patriotic attitude on the part of the government and the FMLN. What is the government willing to do to generate a change of climate in the nation?

[Cristiani] First of all, last week during our regular Monday news conference, I clearly stated the government's political intent to honor the agreements. This administration plans to respect the agreements. We plan to remain within their framework and honor them as best we can. Second, the smear campaign—if you want to call it that—or the campaign that is causing all this confusion, has originated from the other party. The campaign has even involved trips to the United Nations. We consider it to have been a bit exaggerated and unnecessary, because the United Nations has a contingent right here that is verifying the situation. We intend to explain what we are planning to do to fulfill the agreements. We also intend to disclose what we are about to do so that all Salvadorans may understand that the government is complying with the agreements.

[Moderator] Francisco Espinoza of Cadena Radial America will ask a question.

[Espinoza] Mr. President, the FMLN says the government is not complying with the agreements and the government says just the opposite. They are accusing one another. What is truly happening? In your opinion, what is the main cause of delay in compliance with the agreements?

[Cristiani] There are several factors. It is very difficult to point to a single factor. We have often explained that there have been delays on the part of many groups. Copaz took longer than usual to submit its list of three candidates for the Public Security Academy. In the case of foreign aid to begin certain programs, it has not arrived quickly enough. In sum, there have been a series of difficulties, problems, or obstacles, if you want to call them that. The difficulties, problems, or obstacles are hard to foresee when a timetable is being drafted. Good communications should help solve problems as long as there is a real possibility of solving them.

I want to make a comment which is also the opinion of the United Nations. If one takes a look at the FMLN's attitude, one will see it has tried to link government compliance with certain agreements to their own compliance. The United Nations has been very clear in that aspect in the sense that the compliance of one party cannot be linked to the noncompliance or delay in compliance with an agreement by the other party. Each side must comply with its own part of the agreements. Both sides agreed the United Nations would verify and supervise the agreements and that ONUSAL would have to say what is being delayed or not fulfilled. It is very clear. I believe that if the FMLN were to analyze this factor and decide to comply with the agreements, the larger problems would be solved.

[Moderator] Maribel Montenegro of Radio Cadena YSKL will ask a question.

[Montenegro] This morning, an international radio station reported a coup d'etat is being planned. How would such a situation be interpreted, taking our current situation into consideration?

[Cristiani] You would have to ask the director of that station. I truly do not see any reasons to end the constitutional process in our country.

[Moderator] Cesar Enrique Zeron of Teleprensa will ask a question.

[Zeron] A few days ago, it was said that some members of the former dialogue commission were to travel to the United Nations in New York. Why did they not make the trip? Are there plans for them to go later?

In addition, the FMLN has suspended the demobilization of 20 percent of its forces; however, they are already announcing their political participation in the country. What compatibility can there be in the FMLN's political activities and their continuation as an armed group?

[Cristiani] Regarding the trip, the UN secretary general will return to New York this week. Unfortunately, Mr. Goulding, who is the UN official in charge of the Salvadoran peace process, had to travel to Yugoslavia

and will not be back until next week. As soon as he returns, we will plan the exact dates for the visit. We are waiting to see when he will return to New York so that the meetings can be held.

As for the second question, I only want to say what the United Nations has repeatedly told the FMLN: compliance with one agreement cannot be linked to the noncompliance with or delay in compliance with an agreement that corresponds to the other party.

As to the allegation that some programs for the reincorporation of the guerrillas into civilian life have not been created, I want to note that several weeks ago we asked the FMLN to tell us exactly how many members—who are to be demobilized—would be included in the various programs designed for the reincorporation of FMLN members into civilian life. The FMLN knows about the programs. It has been informed at meetings held to tell them about the national reconstruction plan. The plan includes programs such as the transfer of land, microenterprises, training, etc. But the programs can hardly be started if we do not have, shall we say, clients. The FMLN said it would tell us how many demobilized members would opt for the various programs so that we can get them started.

[Moderator] Romeo Lemus of Noticiero will ask a question.

[Lemus] My question is about the [word indistinct] the private sector's refusal to participate in the forum for a concerted effort on the economy. Commander Shafik Handal said the private sector must participate because there are labor problems. However, the private sector is still undecided about its participation.

[Cristiani] We have learned that the private sector does not want to participate mainly because of the problems in the agricultural sector. The businessmen are referring to the land seizures the FMLN promoted through certain organizations that support it. Unfortunately, despite the FMLN promise not to foment further land seizures, they are still taking place, perhaps to a lesser extent, but they are still going on. Yesterday there was a land takeover that included the participation of armed members of the FMLN. They stole a tractor from some property in Santa Elena.

In other words, although it is true the forum seeks stability and better coexistence between the business and labor sectors, the private sector alleges that the FMLN has created a climate that exacerbates the existing problems.

I do not think it means that coexistence between the two sectors cannot improve. But it is not advisable to introduce new destabilizing elements to use the Forum and say it seeks to resolve problems. Land takeovers began following the peace agreements; they were not part of the country's normal problems and did not affect the coexistence between the labor and business sectors. I think that is what the private sector is referring to. At least that is how we understand the decision. I think the problem with land takeovers is on the way to being solved. There have been several meetings between FMLN and government commissions to seek a solution to the problems of properties taken over in the past months. The new takeovers unfortunately do not lead us to think the problem was totally resolved, because there are some people there causing problems. I understand that is what the private sector is referring to.

[Reporter] [Words indistinct] private enterprise to participate in the Economic Consensus Forum [Foro de Concertacion Economica]?

[Cristiani] The agreements cannot compel anybody who has not signed the agreements to do anything. They constitute a commitment to seek a way to communicate and improve relations between the two sectors. Nobody in the country, however, can be forced to attend.

[Moderator] Samuel Arias of [name indistinct].

[Arias] Staying on this topic, what happens if the Forum begins on 11 May, which is the date mentioned, and private enterprises decide not to participate?

[Cristiani] We would have to decide then if it is advisable to continue or wait until the private sector chooses to attend. It is hard to anticipate anything. We must wait and see what happens.

[Moderator] Here is the last question by Alan Gertoge of [name indistinct], France.

[Gertoge] Mr. President, in reading the Salvadoran newspapers one sees that ONUSAL is the target of a lot of criticism. I would like to hear your views about it. Do you think it will be possible to have a peace process without ONUSAL's participation? Do you feel a stronger ONUSAL participation may be necessary during this difficult moment of the peace process?

[Cristiani] I have said on repeated occasions that I believe that much of the criticism levied against ONUSAL stems from an erroneous view of the role ONUSAL must play in the country. ONUSAL merely verifies, or supervises if you like, the peace agreements. It is an agency that determines whether or not the agreements are kept. It has no coercive authority. A foreign entity in particular lacks the ability to take coercive measures to enforce compliance. It merely performs the task of verification. I do not think a peace process could take place without a verifying entity that can determine whether or not the agreements are kept. In this case, we agreed that the United Nations, through its delegation called ONUSAL, would perform this role. We think it advisable to have a verifying entity.

In El Salvador's case, I would even say a foreign entity may be preferable, because it can be less subjective regarding the internal situation. Objectivity on the part of the verifier is important. As for our case, we chose to have two verifying entities, one foreign and the other

local; they should complement each other. I think the United Nations' role through ONUSAL is important in that aspect.

There have obviously been some problems. We—both the FMLN and the government—have, however, permanent communications with ONUSAL where certain actions or events are discussed and corrected. Nothing is perfect, and everything must be gradually resolved. I think the task of verification is important.

[Moderator] Here is the last question by Samuel Arias.

[Arias] We have received information that some Salvadorans were arrested in Los Angeles for apparently participating in the riots. It seems they will be deported. Do you know anything about that? Is something being done about it?

[Cristiani] There is nothing official. I would like to recall the good gesture of many Salvadorans of creating brigades to clean up and restore normalcy in some cities. We have no official report on the arrests or deportation of Salvadoran citizens.

[Moderator] Thank you Mr. President for your answers. Thanks to our friends who came here this morning.

Venceremos on FMLN Participation in 1 May Rally

PA0405183792 San Salvador Radio Venceremos Network in Spanish 0000 GMT 2 May 92

[Station commentary: "1 May 1992: Starting Point of a New Phase of Struggle"]

[Text] The 1 May big social mobilization was a success without precedent in the history of El Salvador. It marks the start of greater social participation in the postwar period and the legal activity of the Farabundo Marti National Liberation Front [FMLN] as a political party. Future generations of Salvadorans will remember 1 May 1992. It was a mass event that surpassed the traditional limits of a mere celebration to become a grandiose demonstration of the people, giving spirit and form to the civilian power that will henceforth promote compliance with the peace accords.

Also on that day, the FMLN General Command was able to attend a mass mobilization for the first time. Thus our FMLN legally conducted its first political activity, an event that was symbolic as well as historic because the alternative of a democratic and revolutionary left for the people of El Salvador arrived on 1 May at a public place after 60 years of struggle. It was there on that day that we put an end to the Salvadoran people' history of war.

Nicaragua

Government Carries Out UN Actions Against Libya

PA0405180092 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 May 92

[Text] The Nicaraguan Government, in compliance with UN Security Council Resolution 748, advised the office of the Socialist People's Libyan Arab Jamahiriyah that it is taking the following measures:

First, the reduction by one in the number of diplomatic personnel accredited to the government in Managua. And, as part of the restrictions imposed, diplomatic personnel will only be allowed to travel within a 30-km radius of their diplomatic base.

According to a note issued by the Foreign Ministry's Information and Communications Directorate, Nicaragua is a full member of the United Nations, independent of the status of relations that may exist with any given country. As such, it is obliged to comply strictly with the provisions of the UN Charter, especially the resolutions issued by the UN Security Council, as the entity's main responsibility is to maintain international peace and security.

The note adds that the Nicaraguan Government will continue to support regional and international actions taken by the UN Security Council and the UN secretary general to reach a peaceful solution to the disputes that may arise among states.

Chamorro Addresses National PSN Congress

PA0505034592 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 May 92

[Text] Using the slogan "Democracy, Development, and Social Justice," the Socialist Nicaraguan Party [PSN] held its 14th National Congress on the weekend of 2 May. PSN Secretary General Gustavo Tablada reiterated his party's solid support for the government of Nicaraguan President Violeta Barrios de Chamorro.

[Begin Tablada recording] The PSN has backed President Chamorro's government program and her candidacy for president of the Republic, and it will continue to support her administration in a critical manner, as long as the administration complies with that government program. The reason is that, in addition to the fact that the aforementioned program was ratified by all Nicaraguans on 25 February 1990, the program also outlines the actions and measures that should be adopted to overcome the crisis that is affecting the entire country; it will lead the country down the path of broad and profound democracy, sustained economic development, and widespread social justice.

At present, all of mankind enjoys the progress that has been made as a result of the new international climate, a climate that is characterized by excellent interstate relations, efforts to guarantee a stable and lasting peace, and

interest in solving—through dialogue and negotiations—existing conflicts and conflicts that could arise in the future.

The PSN views these changes with admiration and much affection. We are also happy to see that mankind has begun to advance through truly positive actions, actions that are very real and that greatly benefit all of mankind.

Demands to democratize political relations—demands that are accompanied by the call to establish pluralistic societies in which social justice is possible—have increased considerably, attaining advantageous results in different parts of the world. This has been the case in our country since the electoral triumph of 25 February 1990, and the creation of the National Salvation Government on 25 April 1990.

The political party lines that have been approved by our party's 14th National Congress—as a precise, referential framework to attain our future goals—cannot exist outside the changes that are taking place at the worldwide, continental, regional, and local levels. We should take full advantage of the experience that has been gained from those changes to thoroughly strengthen the PSN, to modernize it, and to bring it closer to all of Nicaragua's social sectors. This experience will also allow us to ratify, through all our daily political activities, the path clearly outlined by all of humanity.

We fully support the democratization of Nicaraguan society because we understand that democracy is the sum total of efforts by all political, social, and economic sectors of Nicaraguan society, efforts that are aimed at eliminating the outright backwardness from which we suffer. The sustained development of our economy is an absolute requirement for Nicaraguans to generate richness and to improve their material as well as their spiritual standards of living. [end recording]

Meanwhile, Nicaraguan President Chamorro—who attended the PSN's congress as honorary guest—urged the party to work together for a democratic project.

[Begin Chamorro recording] As president of all Nicaraguans, it is an honor for me to cordially and sincerely greet all my PSN friends during their 14th National Congress. I thank you for this invitation and for giving me the opportunity to share with all of you this important event, which faithfully reflects the freedom that all Nicaraguans enjoy today to join any party.

The government that I head is a product of the will of the majority of Nicaraguans. This government makes tremendous efforts on a daily basis to put into practice the government program that I offered to all Nicaraguans during the past electoral campaign. I will never forget that a group of you from the PSN were the first to ask me to accept the candidacy for president of Nicaragua, when you came to visit me...[interrupted by applause] when you came to visit me at my LA PRENSA office.

My dear friends, my policy of national reconciliation is my fundamental goal and the inspiration for my work in government. This policy forces all of us to work together to strengthen the legal state that Nicaraguans longed for, the legal state for which my husband Pedro Joaquin Chamorro Cardenal offered his life. He shared with some of you certain stages of his political life and daily struggle so that Nicaragua could become a republic once again.

My government established, fosters, and respects the development of political democracy and the freedom to join any party. Despite the difficult situation that we inherited from the previous government and that we are presently experiencing, we must work for the well-being of the vast majority, so that the democracy we are forging will be the fruit of the joint effort of all Nicaraguans.

In the name of the patriotic feeling that we are all experiencing today, and in the name of all future generations, I invite you all to work together with me to develop my government's democratic program, so that we may proudly lay the foundations for a democratic Nicaragua, a developing Nicaragua, a Nicaragua that enjoys social justice. Thank you very much to all my dear friends...[applause] [end recording]

Ex-Contra Leader Galeano Dies in Accident

PA0405224192 Managua Radio Sandino in Spanish 1830 GMT 4 May 92

[Excerpt] Local military sources in Matagalpa have reported that Israel Galeano, alias Franklin, ex-leader of the Nicaraguan contras, died in a traffic accident on 4 May when his vehicle overturned in La Providencia, San Ramon, Matagalpa Department, more than 160 km north of Managua. Galeano's wife, Sandra Mendoza, and driver Ricardo Ordonez were admitted to a Matagalpa hospital.

In the latter part of the war against the Sandinists, Galeano replaced Enrique Bermudez, ex-colonel of the Somozist National Guard. Galeano became military commander of the Nicaraguan Resistance after Bermudez was assassinated in Managua in February 1991. [passage omitted]

Argentina

Menem Speaks to Opening Session of Congress

PY0205021092 Buenos Aires Argentina Televisora Color Network in Spanish 1408 GMT 1 May 92

[Speech by President Carlos Menem to the opening session of the 110th Congress at the Legislative Palace in Buenos Aires—live]

[Text] Honorable Congress, sisters and brothers of my fatherland: I have come to inaugurate the 110th meeting that opens the 1992 regular sessions of this honorable Congress.

Democracy is constantly and solidly built. It involves a daily and joint struggle. Democracy is not strengthened by adulation. Democracy is strengthened by dialogue and wise demands. Democracy is not championed with servility or acquiescence. Democracy is championed with truth and reason.

Therefore and as usual, I do not want to transform my fourth message to this honorable legislative assembly into a recitation of good intentions, because Argentina—and I have already said this on previous occasions—is fed up with words.

Today, the entire country witnesses and enjoys a time of political, economic, and social stability. Today, many specters that have dwelled among us and have submerged us into decadence have fortunately been wiped out of our horizon: the specter of hyperinflation; the specter of violence; the specter of coupism; the specter of a social outbreak; and the specter of chaos, anarchy, and institutional uncertainty.

Nevertheless, let us be realistic. This is not the time to rest on transient laurels. This is not the time for irresponsibility or arrogance.

As president of the nation, I demand humility from you and from myself in order to assess our own government actions.

There is no room for irresponsible triumphant attitudes. There is no room for a frivolous or superficial analysis. There is no room for hegemonic intentions and temptations. There is no room for delirium or fantasies. And finally, what would certainly be suicidal: There is no room for self-dellusion.

We have completed a stage of indispensable order in the Argentine Republic vis-a-vis chaos and the danger of disunity as a community.

We have strengthened a stage of indispensable stabilization vis-a-vis the abyss of hyperinflation, utter poverty, and utter underdevelopment.

We have escaped an inferno, but this does not mean that we are living in a paradise. We are not indulging in fantasies.

We know and are aware of the unpaid debts that have accumulated in nearly a decade of democracy. We know of the as yet unpaid structural debts. We know of the as yet uncorrected mistakes.

Bearing all this in mind, I have come to reaffirm my call to continue working together, to continue a task in which we must retrieve the most honest and complete concept of a republic, an ethical republic, an effective republic, a fair republic, a clean republic.

In this respect, I want to pay heartfelt tribute to the Argentine Congress, which, despite many difficulties, has set a true example for Latin America and the entire world. For nearly three years, Congress has passed fundamental laws for the nation. Thanks to Congress, the nation now has a sound legal structure.

Apart from undeniable problems that still persist in Congress as well as in other Argentine institutions, I want to convey very special recognition to the Argentine congressmen, especially to the opposition representatives, who were able to show maturity in addressing the new challenges imposed on us by today's world.

Argentina is presenting everyone an extremely clear lesson at a time of confusing ideas and models. A democratic nation will never succeed in solving its problems with less democracy, but with more democracy, with greater institutional effectiveness, with greater participation, and with greater freedom and supervision by each citizen.

Let us objectively measure the steps we have taken: With democratic perseverance, Argentina is firmly laying down the foundation of a renewed republic. We have removed the debris of an old country, to which everyone was committed to a certain extent. We have put hatred, grudges, childishness, misfortunes, failures, absurd enmities, and pointless disagreements behind us. Similarly, we have unearthed scourges that remained under the surface through many, many years of ludicrous hypocrisy and clumsy disguise. We have unmasked a reality that was marred by a lack of clarity, authoritarian silence, organized structural crime, and complicity between corporations and power groups.

Let us be realistic: This path was not, is not, and will not be free of difficulties, sacrifices, and obstacles. Many of our wounds are beginning to heal, but many open wounds in our democracy are yet to heal. The building of a new house is not complete with just the foundation, the pillars, and the columns. It is just starting; it is just beginning.

This is why I call on the country as a whole to inaugurate a new stage of growth, not only economic but also social growth, equality growth, institutional growth—in sum, growth for all, and deep growth in moral principles.

Gentlemen representatives of the Argentine people and provinces, we have reached a crucial point at which we

will have to define the profiles of a new Argentine model. We are at a decisive, essential inflection point.

I want to reaffirm once again before the people that it is my irrevocable decision to build a humanized capitalist system. We want a popular social market economy that will be at the service of men. We do not want to place the people at the service of an unstable economy that caters to privileged groups and excludes the majority of the people. I, as president of the nation, want to become the first and main guarantor of an Argentine model that will have a growing social content.

This model is already in the making, but we must consolidate it to protect it from every form of pressure and biased lobbying. This is an Argentine model that will be free of discrimination and unjustified subsidies, of benefits obtained by unscrupulous contractors and financial operators, and of shady deals between government officials, politicians, union leaders, and businessmen under the aegis of an inefficient, corrupt state.

We want a model without regulations that often conceal organized crime and without protectionism [applause] that often prevents entrepreneurial competition, risks, and social roles.

At this crucial time, let me point out with complete firmness: I am not interested in being the comfortable manager of an impoverished, looted Argentina. I was not elected to become an acquiescent leader of the status quo. I am not fascinated with being president of a country that, in apparent tranquillity, coexists with material misery and—what is even worse—with moral misery.

I want to be very clear: Human beings take precedence over a technical goal; this is my government's main commitment and it is a special sensibility of Argentines of flesh and bones, beginning with their very conception in their mother's womb.

Our humanized market economy seeks to enhance these principles, which, of course, requires effort because past adjustments were recessive and hyperinflationary while current adjustments seek reactivation, more jobs, and growth.

I am talking about a model for which we will have to struggle, defend, and build brick by brick without public companies feeding monstrous monetary deficits, without poor private companies with rich private businessmen, without private providers of public services which are not fulfilling their obligations of investment and risks, without credits or debts contracted irresponsibly by a few opportunists which will then have to be paid by all members of the community, without the flight of wealth, talents, and intelligent people, without dishonest trials against the state which affect all Argentines, without tricks, lies, and forgeries, in sum without forcing anyone into starvation, and without arbitrary decisions which make every citizen the subject of the official who happens to be in office.

This is a new social model that is worthwhile; that currently has a sound, strong currency; that does not swindle the people with a hyperinflationary tax; that allows cheaper loans thanks to the renegotiation of our foreign debt; that significantly increases consumption and production; that creates more and better jobs because, regardless of commentaries, statistics do not lie; that allows planning for the future; and that punishes financial speculation.

In this regard, I am asking for moderation in judging the steps that have been taken and the steps that are pending. I am not naive and I know very well that Argentines are not naive either. No one loves stability. No one considers adjustment to be an end in itself. No one encourages a savage destruction of liberty that will split our society into halves or thirds.

As pointed out by His Holiness, John Paul II, who is heard with the humbleness of a son by Argentines and by their president: Man cannot remain suffocated by a false choice between the state and the market. Rather than having worth as a consumer, a public service user, or a company's customer, man has worth from the mere fact of being a man.

Bearing all this in mind, Messrs. Legislators, we must advance along the course taken. We do not believe in the almightiness of the state or the market. They are not gods; they are just notions.

We believe in honesty and in the established game rules, which seek to be fair and predictable. Let us not delude ourselves. There are no more excuses for speculation. No longer can anyone become rich without working and without producing. The time to compromise has arrived precisely because there are now game rules.

And, very especially, the time of entrepreneurs has arrived. The time for the social function of entrepreneurs has arrived, for those who are truly enterprising, who must compete with creative projects, who must innovate technologically, who must conquer new domestic and foreign markets, and who must invest because without investment there is no lasting reactivation, genuine growth, increase in jobs, nor increased well-being. [applause]

Now, more than ever, the social changes we must carry out entail two obligations: We must continue with the reform of the state and we must continue with the reform of the market. The state cannot simply change at the national level; it must also be redefined at the regional, provincial, and municipal levels.

In this regard, we must share an awareness of our change. In our federal system the president is not a miraculous leader capable of changing the situation by himself. The transformations also depend on all governors, mayors, provincial and municipal legislators, public administrators, and private sector participants. This is necessary because the market cannot be bound to recent times

when it lived off of the public sector, occasional political favors, or closed or restricted markets.

It is also necessary to make wise, selective use of the international credits to which we once again have access due to our admission to the Brady Plan. It is necessary to take creative risks, to bring back capital, to have trust in the country, to pay taxes, and to play fair in the public and private sectors. Our most important economic decisions will continue to be oriented toward those objectives.

Economy without solidarity is just economics. Solidarity without efficiency is pure demagoguery. Efficiency without responsibility is clumsy, inhumane efficiency.

With that conviction, we must understand that an effective social policy cannot exist without an effective tax policy. In this regard, we will continue to be inflexible with tax evaders, who are one of the worst examples of selfishness and social corruption.

This is a crucial year for strengthening this great change in our tax laws. We have consolidated a popular market economy. We must also consolidate a popular economy of solidarity, and currently in Argentina, the popular economy of solidarity begins with paying taxes.

Let me reiterate, solidarity begins with paying taxes and now, for the first time in our history, those who do not pay taxes will end up in jail as occurs in all civilized countries of the world [applause] because the irreplaceable foundation for the just distribution of a nation's wealth is based on the fulfillment of tax obligations.

Honorable Congress, we are seeking construction of a democracy of values, justice, and freedom. We are moving toward construction of a social state of law with professional public posts and with an administrative career that includes exams and strict selection methods.

I bear in mind the duties of the new state, which should not be forgotten: environmental preservation, punishment for ecological crimes, security on the highways and streets, effective control of food hygiene and public services provided by private individuals, guidelines for fair competition, establishment of a high quality of life after years of marginalism and negligence, and open, clean financial systems for political parties, which was one of the results of the political dialogue.

I refer to a social state of law that demands an unprejudiced attitude, openness, and imagination on the part of all the Argentine leadership. We want more social justice for the entire community.

Above all, social expense is an investment for my government. It is not welfare nor party speculation. It is not a gracious concession. It does not mean giving bread today and causing hunger tomorrow. This would be the worst evidence of insensitivity and a fraud against the population.

Therefore, we increased health, education, housing and social security expenditures to 7.8 billion pesos over the past three years. The Health Ministry's 1992 budget was increased by 24 percent. We allocated 60 million pesos for an emergency sanitation plan to solve structural deficiencies in the provinces affected by cholera.

This is why we are trying to lower the cost of medicines and make the best possible use of them. Within this framework, we launched the federal solidarity program, which is aimed at assisting 4 million needy people, and implemented the social nutrition program, which will feed 2 million children at nurseries and schools.

Also in this light, we assisted 79,500 children in needy condition through the Children and Family National Council, and modified the housing policy by reforming plans that will make possible the construction of 95,000 new homes in 1992.

This is a short wrapup of all that we have done. We are aware, however, that all we have done is still not enough and that we can, should, and have to do much more. It takes more than months to rescue a country that has been paralyzed for decades. It takes years.

Therefore, Messrs. Congressmen, we want to make our health system more fair socially. To this extent, we plan to implement a new social welfare law, which will soon be submitted for your consideration.

We want the system to be open, to give people full access to the best services, and to ensure equal treatment for all. We want more democratic, egalitarian service. To speak of social justice without granting all citizens a right to health care is nothing but rhetoric. This is why we must urgently transform our social welfare system with the contribution of all involved sectors.

We must dig deep to remove all structural mechanisms that result in nebulous collusions, create discrimination among social groups, and feed a parasitic bureaucracy. One should never speculate with poverty, create temporary solutions, or establish unclear schemes. Unless poverty is destroyed structurally, it becomes a festival of tragic and cynical demagoguery.

Honorable Congress, we have also introduced more social justice in our retirement system. This administration is suffering the consequences of and paying a high price for a cruel social security system that was irresponsibly used for political objectives, that was ransacked by successive administrations, and that robbed our dear and beloved retirees. [applause]

This is why the bill reforming the social security system, which will soon be submitted to the National Congress, is so important.

I am referring to an initiative that gathers several aspects of consensus among all political forces; an initiative that does not automatically increase the retirement age, but seeks progressive, gradual retirement; an initiative that releases the state of its previous undelegatable role in the social security system; it is an initiative that wants to fully modernize the system.

It is a project that needs urgent treatment because our retirees cannot wait and cannot be deceived or swindled in their good faith. Within this framework of changes, I also want to make a special request to the country as a whole, because no one can turn his back on the needs of our retirees.

I want to reaffirm that all the money collected from taxes on unproductive assets in the country and abroad will be earmarked for the social security system. It is not a magic recipe, but an important aid. [applause]

No Argentine can live within his own personal means in a comfortable, selfish manner. If everyone pays the current tax system in a conscientious, solidaristic manner, we will be in a position to grant an annual increase equivalent to a little more than one salary to our retirees in the medium term.

For this reason, I would like everyone today to become aware of the significance and scope of this tax commitment.

Messrs. Congressmen, we want more federalism and more social justice in our education system. Within this framework, we especially appreciate the law on the transfer of federal schools to provinces and municipalities approved by you honorable congressmen.

This law is in line with our policies, which seek to expand access to and to improve educational opportunities for poor children, adolescents, and adults, to educate for work, to educate for labor reconversion, to train and dignify teachers, and to correct social and regional inequalities.

In a similar context, I would also like to urge you honorable congressmen to quickly approve another set of historic laws that will set a basis for the transformation or revolution of the educational system.

I am referring to the federal law on education, which—for the first time—will allow us to set a common educational basis for the entire country. I am speaking about the law on financing university studies, which establishes modern principles so that public and autonomous universities will stop sheltering an antisocial mechanism through which the wealthier ones are subsidized by the poorest ones.

I am also referring to the new university law that will modernize the organization of universities, that will allow scientific and technological development, and that will lead them to a true situation, using our best traditions and experience, with a contemporary and sincerely innovating criterion. We must resume debate on the university system because it is indissolubly linked to the present and future of our youth.

Messrs. Congressmen, there is no social justice without justice as such. For this very reason, the implementation of a set of revolutionary measures on organization of our judicial branch is very significant.

Thanks also to the effective intervention of your honorable members, the nation's new penal proceedings code has been approved, establishing what was not achieved in Argentina in 100 years: Oral and public trials that will result in unappealable sentences, that will help reduce the amount of time spent in trials, and that will result in open knowledge of the investigation and punishment of criminal actions by the entire community.

Argentine society is very clear about this point and we need to give a fast answer to this demand. A slow justice system is a cruel cover for injustice and impunity.

Other measures implemented to speed up and democratize judicial proceedings are very important. These measures include: the significant improvement in the salary level of judges, prosecutors, and court employees; and the appropriation of 20 million pesos in the 1992 budget to put the new judicial system in operation by 5 September. The Magistrate's Council, when in effect, will permit clarity in the selection of the most capable judges without political interferences. The implementation of modern and essential methods of mediation, arbitration, conciliation, and negotiation will make our justice faster, more democratic, and less inaccessible.

All these measures are, I repeat, authentically revolutionary and reveal our commitment to strengthen and fully respect the judicial branch's decisions and independence.

In the area of defense, I must recognize the heroic integration of our Armed Forces and security institutions with the democratic process. The armed institutions have made an extraordinary effort in this moment of peace and deep transformations, showing their deep democratic spirit when facing a process of essential reorganization. Our new military concept is based on basic strategic foundations: the rationalization and privatization of many military companies without affecting the national defense system; the establishment of the necessary dissuasive capacity in order to guarantee regional stability and assure our national sovereignty; logistic cooperation in the fight against drug trafficking, narcoterrorism, and narcosubversion—which our government faces as total war, a war to the death; support to our foreign policy through Argentine participation in UN missions; and active cooperation in civil defense and when facing natural disasters.

This undertaking will be long and hard, but the Armed Forces and security institutions are committed to implementing a reorganization that will suit them in a suitable military environment and will make them capable of answering to the new needs of a modern world. This modern world, honorable Congress, counts on Argentina as a new and valuable participant.

Foreign policy. The entire world today appreciates our integration efforts. We formulate our policies from a pragmatic and authentically moral point of view based on firm values. The chauvinist, enraged, and nostalgic stands that degraded our genuine concept of a nation and

isolated us in discredit and despise, or what is worse, in cold indifference, were immoral.

Argentina today, here and now, matters in the world. We admit this world is still far from paradise and a day when we can face our commitments free of ethnic, nationalistic, religious, social, economic, or political conflicts. This world, however, must consolidate its full respect for human rights and democratic freedoms.

The integration promoted by our foreign policy is not unilateral or exclusive. We think of it as built in the framework of the Mercosur [Common Market of the South] and the American continent. We project it toward Europe and Asia. We consolidate it with our full support to formerly communist countries, which today have decided to take the republican and democratic path. We consolidate it with a clear nuclear policy, with a space policy for peaceful purposes, and with a commercial and financial policy that favors competition and the opening of markets.

It is essential to avoid the irrationality and hypocrisy of trade barriers and subsidies that discriminate and prevent the unhindered development of nations.

Finally, I want to ratify before this honorable legislative assembly a pledge made to all Argentines: the recovery of our Malvinas, South Georgia, and South Sandwich islands. [applause] Their recovery is a priority in our foreign policy. [applause] It is an issue that cannot be negotiated. It is a cause that cannot be forgotten.

Pursuing this important goal, we have continued to improve our overall relations with the United Kingdom. We are convinced that this is the best path toward the peaceful recovery of our territory. Our new and positive position in the international scene strengthens the Argentine position on such crucial and sensitive issues as the Malvinas Islands.

Honorable Congress, we cannot discuss social justice without mentioning the labor issue, and we cannot approach the labor issue without discussing the labor unions. [applause]

On this Labor Day, I want to thank all Argentine workers, who are the fundamental basis of this process of changes. Without their mature attitude, their understanding, and their silent sacrifice, it would not have been possible to harvest the first fruits of this transformation program.

I extend my gratitude to most of their union leaders, who have known how to responsibly interpret this era's new challenges. This maturity and understanding make it necessary to reformulate a new labor union model that may revitalize the labor movement, make it more productive, more integrated with the rest of the country as a whole, and stronger to thus face the renewed social and communitarian requirements.

Therefore, it is very important that you, honorable congressmen, debate the bills on collective bargaining and labor unions.

It must be made perfectly clear: We are not discussing the elimination of labor unions as the fundamental intermediary organizations or indispensable social counterweights. We are not thinking of ceasing to protect our workers or discredit their leaders.

We are talking about modifying the labor unions' structures to enable them to defend the fundamental social rights in the fields of labor and production in a more qualified and effective manner.

If we talk of solidarity in the labor field, we cannot overlook another reality: Currently, about 3 million workers must have their activities legalized [blanqueada]. Solidarity in the labor field must be added to solidarity with retirees, and to a better health assistance.

Messrs. Congressmen, national and international authorities, there cannot be social justice unless there is a real society that allows the integration of its members instead of excluding them from its bosom, promotes people instead of neglecting them, and restores its social fabric instead of destroying it. There can be no full social justice without the thorough participation of women in the political and communitarian life, without a pact of fundamental equality. [applause]

And I want to convey another recognition: the approval by senators and deputies of the law that establishes the participation of women in 30 percent of all elective posts. [applause]

This is a commitment that calls for a stronger democracy and more ethics in our party system. Wherever there is a need that has not been met, there is a woman fighting to meet that need, whether in the school canteen, at the mothers' club, in the Union of Housewives, in the family, in school, or in the hospital.

And for this reason, women also must play a very important role in representing the Argentine people. I am calling them to this important role today, on 1 May. [applause]

And I call them on the anniversary of a historical event: The first 23 congresswomen in our history sat here 40 years ago in Congress thanks to the recognition of the women's vote, beginning with the history of struggle started by Eva Peron. [applause]

We cannot fail to also mention in this new Argentine model the fundamental role of young people. I cannot deceive myself, and I do not believe it, as the young people themselves would say. I do not know very well whether there still exist discrimination, injustice, and unequal treatment.

But I understand very well that skepticism is not the right path. And for this reason, to strengthen the commitment and liberty, I urge the honorable congressmen

to accelerate treatment of the draft bill that establishes that young men will come of age at 18. [applause]

I am convinced that this will be an important step in favor of our youth, of their responsibility, of their constructive criticism, and of their essential rebelliousness.

Many of our young people also are giving us a wise lesson because they already have given up the idea of seeking a better future at the door of a foreign consulate, and because many already are returning to Argentina from abroad.

Finally, honorable congressmen, I want to reaffirm the idea conveyed in the beginning of this message. As president, I want to state before the representatives of the people and before all society my solemn commitment to increase, strengthen, and consolidate our republican feeling.

I am perfectly realistic and I do not exclude any type of self-criticism toward our current administration. Strong is not he who never makes mistakes. Strong is he who humbly admits his errors and who is willing to correct them with a sincere spirit.

We must value our republican democracy; our republic with full respect for the constitutional division of the branches; our republic that demands and gives prestige to the role of Congress; that respects the autonomy of the judicial branch; our republic that guarantees, promotes, and encourages freedom of the press.

In this manner, I have come to ratify once again a firm conviction that encourages each and every step of our administration.

The crime of corruption within public administration represents treason against the fatherland and must have a constitutional force. [applause] Corruption is a crime that cannot remain unpunished, because impunity means cronyism; because impunity means complicity; because impunity means sectarian privilege; because impunity means lack of political courage, or lack of legislative effectiveness, or lack of judicial expeditiousness.

Our democracy cannot make any of these mistakes. A republic that allows impunity is a banana republic without a future; a republic that does not punish corrupt individuals is a republic that is condemned sooner or later to its extinction.

Consequently, from this important forum, as president of the Argentine people and as such, the guarantor of the openness of our republican system, I want to be entirely clear and firm.

First, I want to encourage the investigation and clarification of each and every judicial case. I insist: We must investigate and examine each and everyone of the judicial cases, until a final decision is reached.

I cannot admit any doubt or misunderstanding about that. There is unquestionable freedom to take the necessary steps within the framework of the law and the right to investigate and clarify judicial cases, no matter who is involved in them. The cases must be investigated and clarified at any price. Whomever is found guilty will be punished. [applause]

To be able to definitively eradicate corruption's social scourge, we must continue implementing profound changes and thus structurally modify this model that was intentionally designed to allow backwardness and corruption.

Second, I want to encourage the media to responsibly use its freedom. To me, freedom of the press is not a circumstantial concession. It is a philosophy of life. It is a basic and indispensable tool for further dignifying our democracy.

Therefore, I urge each member of the media to use his or her freedom responsibly because the fight against corruption cannot coexist with slander, the staining of the citizens' honor, or offense against their reputation and honor.

It always is easier to fight for freedom than to use it. To enjoy freedom is a permanent commitment. To enjoy freedom is a lifetime job. To be free does not mean to disrespect limits. On the contrary, to be free is to responsibly establish certain limits that make communitarian life possible. [applause]

The fight against structural corruption is a relentless fight that no one can conduct as the single savior. We must avoid absolute pessimism and naive optimism. No one should wear blinders and thus fail to acknowledge achievements or ignore the path still to be trod.

Our faith does not reside in personal voluntarism or messianic absurdity. Our faith resides in our Republic, because it has the appropriate mechanisms to win this war. We have weapons to fight this war: in the executive, legislative, and judicial branches. We have weapons and we have laws. We have institutional decisions and decrees. We have sentences, political trials, and free consciences to responsibly report facts.

We must use these weapons intensively. If they are not enough, all the republican powers can be summoned to create other weapons because the Argentine Republic cannot be strangled, every day, by a generalized state of suspicion.

A group of gangsters—be they members of the political, entrepreneurial, union, or social areas—cannot toss the effort of 33 million Argentines overboard. [applause]

Honorable Congress, I do not want to end this fourth message to the legislative assembly without repeating a call for solidarity of all Argentines, a call to the freedom to get informed, to denounce, to control, and to responsibly judge our behavior as government officials.

I do not want to end my words without making a call to all and each of those responsible for governing the country. I make this call with the fullest federal feeling.

A president of the nation is not an illuminated messiah capable of solving all problems overnight; a president is not an infallible leader; a president is not a robot that can once and for all guarantee the happiness and end the affliction of the people; a president is not a superman incapable of making a mistake ever, or capable of making mistakes every day and every minute.

It seems obvious but it is good to repeat: A president, this president, is a man; a man who admits achievements, errors, successes, delays, and difficulties; a man who has not come to demand adulation but control; a man who does not seek blind support but a responsible option, a full conviction, and honesty to point out the debits and credits of these three years of government.

We all know that Argentina will not be rebuilt with one single will, but with the will of 33 million Argentines, with the will of each governor, with the will of each mayor, of each deputy, of each senator, of each councilman, of each judge, of each social leader, of each man responsible for the institutional system, and especially with the will of each anonymous Argentine. Therefore, now that many problems already are solved and we can see our hopes better on the horizon, I want to extend my gratitude and this call:

Today, right now, when no one can surely say that we are not better off now than three years ago; today, right now, when we should have given up for some time political speculation, both to laud and to criticize, my gratitude goes to the Argentine people without distinctions of political banners or colors, because they are the best we have, and because they keep reaffirming to us by example that we must not underestimate or manipulate. [applause]

I also want to make a call to all leaders so that we may resolutely be at the level of the people once and for all. In the first minute of my government I said with a voice that was a call, an invitation, almost a plea: Argentina, get up and walk.

Let us all take a look, for God's sake, let us all take a look: Today Argentina is standing up and has started to walk toward a better and perfectible future. Let us not lose sight of these first steps, of these first and difficult steps, in omnipotence, in anxiety, in exaggerated optimism, or in exaggerated pessimism.

All together, I repeat, all together, let us not allow this historical and decisive opportunity we have at hand to go by. I call you to this task, when half of our government management has not yet been fulfilled.

Thus, asking for the blessing of God for all of you, for all the Argentine people, and for our fatherland, I declare the period of regular sessions dedicated. Thank you very much. [applause]

Comments on Violence in U.S.

PY0305200092 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1444 GMT 2 May 92

[Text] Buenos Aires, 2 May (NA)—Commenting on the wave of violence unleashed in several U.S. cities, President Carlos Menem has stated that the U.S. Government "needs to revise some policies."

Menem made these remarks early this morning shortly before boarding the presidential plane that was to take him to the city of Goya, Corrientes Province, where he will attend the 18th National Surubi Festival.

Menem described as "lamentable" the situation prevailing in some U.S. cities and stated that "the world's most powerful country needs to revise some policies." He did not, however, specify the type of measure he was proposing.

Menem was accompanied by Interior Minister Jose Luis Manzano and Alberto Di Filippo, mayor of Goya and the Peronist candidate for governor of Misiones Province.

Menem is scheduled to return to the capital this afternoon to make the final arrangements for the tour—which will include Saudi Arabia, Kuwait, Turkey, and Egypt—that he will start tomorrow.

Departs for Mideast Tour

PY0305230092 Buenos Aires TELAM in Spanish 1837 GMT 3 May 92

[Text] Buenos Aires, 3 May (TELAM)—President Carlos Menem left at 1515 [1815 GMT] today from Ezeiza International Airport for Saudi Arabia, where he will begin a 10-day official tour that will include that kingdom, the State of Kuwait, the Republic of Turkey, and the Arab Republic of Egypt.

Menem, who, upon arriving at the airport at 1445, did not make any remarks to journalists, went to a special room where he met for a few minutes with his closest aides.

Afterwards, Menem, along with Defense Minister Antonio Erman Gonzalez and other government officials, departed aboard the presidential airplane for Saudi Arabia. The airplane is scheduled to land in the Saudi Arabian capital, Riyadh, tomorrow afternoon.

Jet Sale Seen as 'Evidence' of Bush-Menem Ties

PY0405224892 Buenos Aires BUENOS AIRES HERALD in English 2 May 92 p 11

[Excerpts] (NA-DYN-JAL)—During a ceremony attended by President Carlos Menem, the Air Force observed the 10th anniversary of its "baptism of fire"—the first time the 37-year-old branch of the military saw

action—while the force's Chief-of-Staff Brigadier-General Jose Julia announced that Argentina had signed a deal to buy 40 bomber jets from the United States. [passage omitted]

In the first deal of its kind since the Malvinas War, Julia announced that Argentina has reached an agreement to buy a significant quantity of weapons—in this case 40 United States jet fighters—from another country, government and military sources told a local news agency.

According to the sources, for a price so low it is "nearly symbolic" the Air Force will take delivery of a fleet of the high-technology Skyhawk A4M bombers, 20 of which are rumored to be arriving within the next few months with the remainder to come next year.

The purchase is significant for Argentina not only because the Air Force will be able to replenish a stock which still remains depleted nearly 10 years after the South Atlantic War but because it is the first major one approved by the US since that nation enacted the 1978 Humphrey-Kennedy Amendment banning the sale of arms to this country due to the military government's human rights violations. It is viewed by some as evidence of the close ties between President Carlos Menem and US President George Bush and a payoff for Argentina's dismantling of the Condor II medium-range missile project and agreement to use nuclear power only for peaceful purposes. [passage omitted]

Heavy Water Plant To Open in Late 1992

PY0405140692 Madrid EFE in Spanish 1422 GMT 29 Apr 92

[Text] Buenos Aires, 29 Apr (EFE)—National Atomic Energy Commission (CNEA) sources announced today that, at the end of this year, Argentina will commission a plant to produce heavy water that is used in its nuclear power plants. This is the first plant of its kind in Latin America.

Argentina is one of the developing countries that is very advanced in nuclear technology. The sources added that, in the medium term, Argentina intends to export heavy water to third countries.

Heavy water is required for nuclear plants that use natural uranium, like the two in Argentina. Another similar plant is under construction.

CNEA sources explained that 98 percent of the heavy water plant construction work has been completed. It is located in Arroyito, Neuquen Province, 1,000 km south of Buenos Aires.

The production of heavy water will be sufficient to supply the Atucha I plant, which went into operation in 1974 and was the first plant of this type to operate in Latin America, the Embalse plant and Atucha II, which is currently under construction and will be completed in 1995.

The sources indicated that production will be sufficient to supply a fourth nuclear plant that Argentina plans to build at the end of the century, and heavy water will also be exported to other countries.

Argentina will thus stop importing heavy water from other countries, especially Canada, which is its main supplier.

Argentina is advanced in all of the nuclear energy cycle. It has signed guarantees with Brazil, the other Latin American country that is also advanced in the development of this sector, and has promised not to transfer "sensitive technology" to third countries.

Argentina and Brazil have announced that they will ratify their adherence to the nuclear non-proliferation Tlatelolco Treaty once they are guaranteed that they will have the protection of industrial secrecy.

* Unified CGT Seen Tilted Toward 'Menemism'

92SM0366B Buenos Aires CLARIN in Spanish 27 Mar 92 p 3

[Report by Eduardo Grossman: "Menemist Majority in Unified CGT"; first paragraph is CLARIN introduction]

[Text] With a "Menemist" majority at management levels, the unification of the CGT [General Confederation of Labor] became an accomplished fact. The Parque Norte congress thus brought to an end more than two years of disunity within the labor movement. The final result was not easily arrived at, and negotiations on the inclusion of the "Ubaldinist" unions, which were reluctant to accept the positions offered them, continued up to the last minute. The document that marked the unification of the union movement called for greater equity of effort. President Carlos Menem read his eight-page speech and said that "it would be dim-witted to think in terms of a savagely tamed trade unionism." During a pause in his speech, attendees of the congress chanted: "Yankees, no! Marxists, no! Peronists, yes!"

Working against the clock, through all-pervading, suspenseful, never-ending negotiations, the unification of the Peronist union management crystallized yesterday in a CGT Unifying Congress through the simple expedient of duplicating the seats on the board of directors and quadrupling the number of general secretaries in the management, leaving out no one.

With 40 secretaryships to be distributed (to date, this figure has totaled eight within a board of directors of slightly more than 20 members) the plenary meeting modified the CGT's by-laws to provide for election of a collegial top-leadership body that will consist of five general secretaries who will now run the CGT for three years.

Will they succeed in carrying out their mandate? That is the point left in question by the congress. Yesterday's session resolved none of the internal controversies that

are convulsing the Peronist sector of the labor movement and that precipitated a deep split two and a half years ago. Driven more by the need to mass forces against the administration's intent to wrest control of social programs from them, the trade unionists decided to restructure the CGT by bringing its different factions—which until yesterday operated as separate groups—into an mixture in which the Menemists maintain the hegemony (see table).

United less by similar views than by necessity, the labor leaders negotiated with the administration and obtained a freeze on the project to reform the social programs system before they agreeed to President Carlos Menem's presence at the congress. And Menem delivered an address tailored to his heterogeneous audience. To satisfy the allied leaders who were proposing a labor methodology opposed to that of the orthodox and conservative leaders, he urged the unionists to put aside "unionism deriving from nostalgia and tragedy." But in a message clearly addressed to those who accuse his administration of social insensitivity, he asserted: "I am not going to negotiate away or betray or desert the productive revolution."

A Multicolored Quintet

As of yesterday, therefore, the CGT's fortunes are guided by a multicolored quintet consisting of the UOM [Metalworkers Union], SMATA [Trade Union of Mechanics and Related Automotive Transportation Workers], FATLyF [Argentine Federation of Light and Power Workers], UF [National Railway Union], and FOECYT [Federation of Postal and Telecommunications Workers]. In addition to these five unions, 35 other union organizations were incorporated through secretaryships in the new board of directors.

Of the five general secretaryships, two (UF's and SMATA's) are Menemist; one (FATLyF's) is an independent but a fellow traveler of Menemism; another (that of UOM) is of the critical Menemist wing; and the fifth (FOECYT's) is of the more moderate Ubaldinist wing.

All the internal factions are represented to a greater or lesser extent in the remaining 35 secretaryships, with the exception of the most radical—the ATE [Association of State Workers], and CTERA [Confederation of Education Workers of the Republic of Argentina]—which did not attend the congress.

How Leadership Was Distributed Whom the 40 Secretaries Represent

Secretaryships	Menemists	Miguelists	Independents	Ubaldinists	Barrionuevists
General	SMATA; UF	UOM	FATLyF	FOECYT	
Union & Interior Matters	UOCRA;[1] Paper Industry Workers	URGARA;[2] FENTOS[3]			Chemical Industry Workers
Intersectorial Relations	UPCN;[4] FOETRA;[5] Mine Workers; Plastics Workers; UATRE[6]				
International Relations	Tobacco Industry Employees; Insurance Workers; Naval Electricians			Brewery Workers; FATUN;[7]	
Parliamentary Relations	Port Pilots; COEMA;[8]			SETIA[9]	Bakery Workers; Tobacco Laborers
Social Action	AOT;[10] Hairdressers; UTEDYC[11]	Food Industry Workers			Restaurant Workers
Press	Taxi Drivers; Mill Workers		Trade	DGI[12]	Meat Industry Workers
Political and Institutional Relations	FATSA[13]	SUPE;[14] Capital Cities Municipal Workers	Banking Industry Workers		Shoe Industry Workers

Footnotes: 1. Construction Workers Union of the Argentine Republic; 2. expansion not given; 3. expansion not given; 4. National Civil Service Personnel Union; 5. Federation of Telephone Workers of the Argentine Republic; 6. expansion not given; 7. Argentine Federation of National University Workers; 8. Confederation of Argentine Municipal Workers and Employees; 9. Trade Union of Employees of the Textile and Related Industries of the Argentine Republic; 10. Textile Workers Association; 11. expansion not given; 12. General Directorate of Taxation; 13. Argentine Federation of Associations of Sanitation Workers; 14. United Trade Union of State Petroleum Workers

The reunifying of the Confederation yesterday, after a split that had lasted almost two and a half years, put an end to the separate existence of two opposing CGT's: The administration-oriented CGT-San Martin on the one hand, and the opposition-oriented CGT-Azopardo on the other, and consequently to Saul Ubaldini's extended tenure at the helm of one CGT. Ubaldini will be the new CGT leadership's representative to the ICFTUO [International Conference of Free Trade Union Organizations], whose head office is in Brussels.

In the new CGT's founding document, titled "Unity for Transformation With Social Justice," which was the motto of the Congress of Unity, the Peronist wing stressed its demand for greater participation in the formulation of the administration's policies and rejected

the idea of there being any connection whatever between the reunification of labor under discussion and the administration's plan for the reformation of the social program system.

"The talks cannot be limited to social programs. The labor movement wants to talk health and wants to reach agreement, not confrontation," according to the text of the CGT proposal, in a gesture that was interpreted as a necessary concession to Menem's presence in the proceedings.

Palacios's Proposals

In the closing hours of the negotiations, the formulation and finalization of the birth certificate of the brand new confederation led the heavyweights of the fringe factions to a dead end of sorts from which they were able to exit only after the first call to assemble for the opening of the congress.

Although the dawning of Thursday saw a proliferation of agreements, the amount of still-unfinished business as of the early morning hours took the various leaderships by surprise. With reddened eyes and unable to stifle the yawns proceeding from the sleepless night of negotiations, the union bosses had to pluck up their courage to continue the negotiations and "close the books."

An early riser, and flanked by a semicircle of attendees, Carlos West Ocampo (FATSA [Argentine Federation of Associations of Sanitation Workers]) informed them that "an undesired complication" had been introduced by the reluctance of "Ubaldinist" Juan Manuel Palacios (sanitation workers) to occupy his position in the leadership's "top five."

Palacios proposed that the position be occupied by Ubaldini. And he presented the proposal as a decision by his group rather than a desire on the part of the brewery workers leader, who listened to the proposal silently during a meeting of a limited number of the congress's key leaders. But none of his listeners agreed, including the metalworkers' Lorenzo Miguel.

Ubaldini and Palacios withdrew to their Calle Azopardo general headquarters. It was near noon, and things were not going any better for the "Barrionuevist" faction, which had broken off its alliance with the "Ubaldinists" but was demanding a greater participation in the CGT's new leadership.

Negotiation

The Ubaldinists wanted to seat Ubaldini as one of the "top five" in place of Palacios, and the Barrionuevists wanted to seat Barrionuevo as a sixth general secretary.

Neither of these proposals was accepted. The Barrionuevists fought strenuously against the rejection of their proposal. The Ubaldinists delayed their response and sent in other negotiators, who requested an additional hour to formulate it.

It was 1500, and the additional hour had expired when several Menemists began pressing for a solution and seeking to replace Palacios with the ATE's Andres Rodriguez, at which point the Barrionuevists rubbed their hands together and proposed Lesio Romero to fill the possible vacancy. But finally, a response from Calle Azopardo agreed to accept the decision of the majority and to have Baldassini represent its sector of the CGT leadership. [Box]:

What It Means

Because it is the product of necessity more than of agreement among the sectors that split apart from one another two and a half years ago in the San Martin Theater, no one can be sure of this new CGT's future life span.

But there is no doubt that this reunification is producing a CGT that is less administration-oriented than the one that emerged from that plenary and not as opposition-oriented as the one Saul Ubaldini sought to head from the traditionalist Calle Azopardo building.

Ubaldini—and this is another outcome of this congress—is no longer the frame of reference of the Peronist unions. In fact, he long ago ceased being it. But yesterday it became official, when the plenary opened to him an elegant exit door in the form of an international position.

The hallmark of this CGT will be its autonomy with respect to the government. It will not posit a confrontation, as Ubaldini did as soon as Menem took office, repeating the previous experience with radicalism, and calling 13 general strikes. Nor will the CGT be kowtowing to the government in the manner of Luis Barrionuevo's first period of leadership ("I am a Menem 'super-duper deal-maker'"],or of Raul Amin's more moderate and less influential ultra-Menemism.

Will the CGT be able to exercise the independence it vaunts? How will its leaders go about reconciling positions in a body that is accustomed to vertical-unionism and that will now have to caucus among 40 members and five general secretaries of factions, including opposing factions, in search of a consensus?

The fact is that this CGT came into being for the purpose of compelling the government to negotiate with the trade union movement, to sit at the negotiating table. The labor leaders, convinced that their operational margins for maneuvering had been reduced as never before and that only through unity would they be able to expand them again and recover the initiative, have now united to do just that.

What catalyzed the decision? Two events. The first was the deregulation decree issued by the administration in December, without advance notice even to the union leaderships closest to it, that revoked the CGT's right to inspect tax revenues in connection with social programs. The second was the launch of a project, with what seemed unstoppable force, to reform the system of social

programs, virtually to the point of doing away with the system over which the unions have exercised exclusive management control until now.

The unity achieved among the labor leaders was the child of these two governmental decisions, in that the dyed-in-the-wool Menemists, the Menemist-critics wing, and the Peronist wing opposed to Menem put aside their differences to address them jointly. And the preliminary prancing prior to the congress yielded two early successes: One of the administration's decisions—the single tax bill—has already been changed, and the other—the reforms project—has been frozen, although neither side can admit this. The labor leaders cannot do so because they do not wish to appear to be twisting Menem's arm. And the administration cannot do so because it does not want to appear to the society to be backtracking.

Brazil

Army 'Editorial' Criticizes Unequal Salaries

PY0305030292 Rio de Janeiro O GLOBO in Portuguese 1 May 92 p 3

["Editorial" signed by Brigade General Gilberto Serra, Army Social Communications Center chief—all quotation marks as published]

[Text] I inform this newspaper that Army Minister General Carlos Tinoco Ribeiro ordered publication of the editorial that is transcribed below on the first page of NOTICIARIO DO EXERCITO [Army News] on 4 May.

"Need, Urgency, Justice

"Justice means treating unequal people unequally."

"This portentous phrase, which is repeatedly said and written in the most diverse places, is appropriate for encouraging reflection on a topic that for some time, has been of great concern to all those who struggle in the three branches of government: equal salary levels.

"The Constitution—the expression of the Brazilian people's will and feeling—clearly establishes: "Legislative and judicial branch salaries cannot be greater than those of the executive branch."

"And further down:

"The law will guarantee public servants equal salaries for positions with equal or similar responsibilities within the same branch of government or for public servants of the executive, legislative, and judicial branches, after adjustments based on individual character or relative to the nature or place of work."

"The interpretation of these constitutional tenets is at the center of all the uproar and all the heated discussions on the salaries of public workers, who are entrusted with serving the community.

"At a moment when all of society's energies are converging on seeking an understanding—the basic foundation of our national development—it is discouraging to find professionals performing similar jobs while receiving vastly different salaries. We omit giving examples because they are ubiquitous. Such flagrant disparity—more than a notorious injustice—is in our opinion a violation of a very clear constitutional tenet. The road to consensus narrows with difficulties in correcting such distortions.

"The inexplicable delay in finding a solution to the problem is beginning to reveal a picture of anguish characterized by two clear aspects: the predisposition of people in some areas of the executive branch to become discouraged because their efforts are not adequately compensated, and the departure of well-trained professionals to the private sector or, what is worse, to the parasitic informal economy.

"Specifically with regard to military men—whose ideal of service raises above material interests—it should be considered that they are citizens just like anyone else, with the same obligations and that they work under the constraints of the demands of modern life in which superfluous matters are gradually becoming more basic.

"It is repulsive to see professional soldiers who advocate basic principles of respect for the chain of command and discipline not receiving what they deserve for their work, which is so important that it becomes invaluable. When military chiefs raise their voices to denounce a situation of hardship that is harming their subordinates, they do not do so with a desire to create institutional trouble because they also have the mission of watching over internal order. This Gordian knot will not be untied by the cutting edge of a sword, but through dialogue.

"The Brazilian Army does not have mercenaries in its ranks; it is made up of heads of families who need to feed and educate their children. But many of our soldiers—who work in vital and dangerous activities—find that fulfillment of this obligation is very difficult. These soldiers, in their efforts to preserve their dear institutions, seek solutions that result in the breakup of their families—leaving wives and children in the care of parents or in-laws is common—and take cover, bitterly, in the solitude of the barracks.

"This conflictive situation is not restricted to the base of the hierarchical pyramid. Typical middle-class family commitments—which includes most of our officers—are becoming ever more difficult to meet because a significant portion of salaries are used for essential items. Then, how do we do face the extra domestic expenditures—of which no one is free—if soldiers' personal assets—which were built over a lifetime of work—are being destroyed to complement their low incomes?

"Trying to refute what innocent or ill-intentioned individuals could consider as praise with a hidden purpose or military men's attempt to unduly beef up their budget, it is necessary to recall that the Constitution forbids

military men from seeking other sources of income to complement their budget. It is also important to note that they cannot own fixed assets—for instance, purchasing a house to insure a restful retirement—because they are constantly assigned to different parts of the national territory. Working hours, which as a rule extend well into the night; field exercises; and study trips take precious time that other professionals use to improve their incomes. We must tighten our belts if we want to promote national development and pay our high social debt in a climate of scarcity. But the bitter pill of this sacrifice must be swallowed by all, without exception. It is imperative to treat equal people equally because it is necessary; more than necessary, because it is urgent, and more than urgent, because it is fair.

"Brasilia, Federal District, 30 April 1992."

Collor Comments on Editorial

PY0305195092 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 1 May 92

[Excerpts] The Army newspaper NOTICIARIO DO EXERCITO that will circulate in all garrisons on 4 May publishes an editorial defending the urgent implementation of salary equity among all three government branches. [passage omitted]

President Fernando Collor has just commented on the Army editorial. He said that the quick implementation of the salary equity is also a concern of the president. Concerning the minimum salary, Collor said the government proposal cannot be negotiated and is the only one that can be met by social security, the states, and the municipalities. [passage omitted]

Today President Collor did not talk to reporters, but released a Labor Day message. He said that Brazil is living through a decisive moment and is struggling to regain the path of development through a more egalitarian distribution of wealth. The effort to overcome inflation has demanded sacrifices from the people, the president said, but these sacrifices are being overcome with the end of the hyperinflation threat and the return of foreign investors.

The president added that the current situation demands patience, serenity, patriotism, and, above all, confidence. He added that we must work with assurances that Brazil, with the help of God, will meet all expectations.

Demonstrators Protest Outside U.S. Consulate

PY0505002492 Madrid EFE in Spanish 2336 GMT 4 May 92

[Text] Rio de Janeiro, 4 May (EFE)—Members of Brazilian black organizations staged a demonstration today outside the U.S. Consulate in Rio de Janeiro to protest the acquittal of four white policemen who had beaten a black man in Los Angeles.

According to the AGENCIA ESTADO news agency, approximately 30 demonstrators talked to U.S. Consulate officials and succeeded in making the consul for political affairs, John D. Fernandez, agree to talk with seven of them.

According to Ivanir dos Santos, an Assembly of Black Organizations [Encuentro de Entidades Negras] leader, Fernandez, accepted an invitation to participate in a debate on racism.

Brazilian black organizations also have demanded that Rubens Ricupero, Brazilian ambassador to the United States, be recalled to the country to give a briefing on the wave of racial violence provoked by the verdict acquitting the four policemen.

Moreira Confirmed as New Petrobras President

PY0505115892 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 4 May 92

[Text] Mines and Energy Minister has just confirmed the designation of Benedito Moreira, current chairman of the Foreign Trade Foundation, as the new Petrobras [Brazilian Petroleum Corporation] president. Benedito Moreira was also the president of CACEX [Department of Foreign Trade].

Moreira's designation was signed a few minutes ago by President Fernando Collor. The president also named former Foreign Minister Francisco Rezek as a Federal Supreme Court judge.

President Collor also designated Francisco Cesar da Rocha as a judge of the Superior Court of Justice. President Collor has also assigned 14.3 billion cruzeiros for the state health secretariats for their struggle against cholera.

Colombia

Ministry Reports on Antiguerrilla Operation

PA0405232192 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 4 May 92

[Text] This is a late report. The Defense Ministry has just issued a report on the antiguerrilla operations it is conducting successfully in various parts of the country.

The Army General Command in Bogota reported today that in the last 30 days the military has considerably weakened the Revolutionary Armed Forces of Colombia [FARC] guerrillas. The report adds that 93 men have been killed and the FARC leadership is being harassed.

The operation against Manuel Marulanda Velez, alias Tirofijo, and his people is underway at this time in La Uribe mountains. Ten helicopters and 5,000 soldiers from the 1st Mobile Brigade were deployed. The 4th Army Division of Meta, which was deployed in eight battalions, is supporting the operation.

According to the Army, some 350 FARC guerrillas have died in different parts of the country since Casa Verde [FARC headquarters] was seized. The Army Command reported that the whereabouts of Tirofijo are unknown, and he is fleeing from the military operations.

[Begin Army Information Chief Colonel Gustavo Mantilla recording] We have not been able to capture him. We are searching for him in an area that is about (?1.34 billion) square km. We need many more troops, but you may rest assured we are doing everything we can. He will fall at any moment. Actually, we cannot say we have him under siege because the area is very extensive. [end recording]

The same source reports that, although the generals have issued an order to eliminate the FARC guerrillas until they indicate they want dialogue and not bullets, the Army will comply if the president of the Republic requests the suspension of the operations in order to facilitate the arrival of the guerrillas who are in Tlaxcala, Mexico.

The last official report says that nine guerrillas and five soldiers have been killed in two days of continuous operations.

Clashes Continue

PA0505001592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 4 May 92

[Text] In La Uribe, Meta Department, the clashes between the Army and the security column of the secretariat of the Revolutionary Armed Forces of Colombia [FARC] continue.

According to the commander of the Colombian Army, the special FARC column in charge of protecting Manuel Marulanda, alias Tirofijo, has suffered a serious setback at the hands of the Army's Mobile Brigade No. 1. According to the commander of Mobile Brigade No. 1, which operates in La Uribe, Meta, the fighting that began this weekend in Guayabero is becoming increasingly intense.

The guerrilla casualties include a FARC Secretariat commander. The name of the guerrilla casualty has not been reported, but it is believed that he is one of the commanders of Manuel Marulanda's personal security guard. The Army command has reported that the guerrilla casualty figure has not been established, but it is believed there are many guerrilla casualties because of the amount of weapons, belongings, and blood trails found.

The wounded include many women. According to the Army, this time the women did not face the troops as on past occasions, but fled in desperation.

During the operations near the Santander Ravine, the Army destroyed a camp surrounded by trenches; the camp was capable of housing approximately 60 guerrillas. The troops seized much ammunition, two rockets, grenades, thousands of bullets, and communications equipment.

While the operations, which were supported by Colombian Air Force fighter planes and helicopters, were going on there were operations in Yacopi and Quipile, Cundinamarca Department. As a result, four guerrillas died, including one of the commanders of FARC's 22nd Front, which operates in that part of the country.

Guerrillas Claim Attacks

PA0505002592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 4 May 92

[Text] Many banks in Medellin and nearby municipalities have become the targets of urban guerrilla terrorists. In Antioquia Department alone, 14 banks were the targets of explosive attacks in a chain of actions that began at approximately 2230 on 3 May [0330 GMT on 4 May] and concluded at 0300 on 4 May [0800 GMT on 5 May].

In Manizales, a bomb exploded in a branch of the Bank of Caldas and seriously damaged the facade of the building as well many stores in a shopping mall. Some persons were slightly injured. In Florida, Valle del Cauca Department there was an explosion in the towers of the Citizens' Band building.

Even though the explosive charges used in the various attacks were not very powerful, the cost of the damage done to the 14 banks of Antioquia is close to 50 million pesos, and nine persons were slightly injured. A bomb placed in the Banco Cafetero of El Santuario Municipality exploded at 0300 and damaged at least 15 stores of a shopping mall. Three more explosions were reported in banks of La Ceja Municipality.

The chain of bomb attacks began at 2200 on 3 May in Medellin and Itagui, where an additional four bombs were defused. The bombs exploded in 10 banks, mostly in the downtown area. Most of the damage was done to the facades of the banks and the office equipment.

In telephone calls to the media, the National Guerrilla Coordinating Board claimed credit for the chain of attacks.

Former EPL Members Occupy Venezuelan Consulate

PA0505001792 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2307 GMT 4 May 92

[Text] In Cucuta, a group of former EPL [People's Liberation Army] members occupied the Venezuelan Consulate. They claimed to be pressuring the Colombian Government to guarantee their reinstatement into civilian life.

Commentary Considers Effects of Talks Suspension

PA0505022992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2305 GMT 4 May 92

[Text] The Simon Bolivar National Guerrilla Coordinating Board [CNGSB] said on 4 May that a recess in the talks was necessary. The CNGSB anticipated a new round of talks soon, with the participation of new sectors of society. In a seven-point communique, the organization blamed the government fully for the recess; according to the guerrillas, the recess was caused by the government's stubborn demand to change the agenda.

The CNGSB has not replied to any of the government's demands to release kidnapped persons, yet it has expressed its concern over reports that guerrilla Daniel Garcia is missing and that Telecom [Colombian Telecommunications Enterprise] trade union leader Jose Maria Caicedo is dead.

The guerrillas regard the recess as an opportunity to settle their internal disagreements. The truth is that their unity is broken and their representation is weak. The recess will also be a period of more intense war. A disappointed sector of the public will support total war. The guerrillas expect the people's dissatisfaction to mount, and they will attempt simultaneously to increase that unrest by sabotaging the economy.

The Army regards the recess as a chance to put an end to the conflict through the use of force. The Army relies on strong public support. The continuation of offensives is predictable, like the one that began in La Uribe this weekend. At the same time, it is risky for the public force because the expected increase in the number of acts of sabotage will tend to force soldiers to scatter.

For the government, the recess represents a partial failure of its plan to achieve a negotiated peace on an intermediate basis. Yet it is also an opportunity to take advantage of the guerrillas' split to initiate separate negotiations with one group or region at a time. The government also needs to outline again its peace policy on the basis of the Caracas and Tlaxcala talks. In other words, there must be a greater awareness of the reality of the guerrillas' existence and of the very nature of the peace process, which is necessarily slow and protracted.

De la Calle Interviewed About Peace Negotiations

PA0405192292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 4 May

[Interview with Government Minister Humberto de la Calle Lombana by unidentified reporter; place not given—live]

[Text] [Reporter] We welcome Government Minister Humberto de la Calle Lombana. Mr. Minister, Colombians are asking themselves what good has come from the latest round of government-CNGSB [Simon Bolivar National Guerrilla Coordinating Board] talks. The talks have hardly achieved what the people expected: an indefinite recess in the talks.

[De la Calle] I would like to point out that the CNGSB, once again, has let Colombia down, as it has so many times before. The government went to Tlaxcala and endorsed the Catholic Church's position as presented by mediator Father Nel Beltran. The government concurred with the mediator's agenda suggestions, including issues such as kidnapping, extortion, and attacks against the civilian population. At that time the government believed, and still does, that they were the priority issues. In light of recent events, they should be dealt with at the negotiating table. Frankly, the CNGSB's response is unacceptable. When kidnapping is brought up, the CNGSB decides to propose a suspension in the talks. This is why we say the CNGSB has let Colombia down. It has done so before and will probably continue to do so. The result is unfortunate.

[Reporter] Mr. Minister, does this mean that the Colombian Government traveled to Mexico because Father Nel Beltran, on behalf of the Catholic Church and its leadership, convinced the government of the CNGSB's promise to accept the demanded agenda changes?

[De la Calle] I would not go as far as that. I really do not have enough information to say whether that is true or not. What is undisputable is that Father Nel embodied a national hope, and that is why the government responded. The government went to Mexico believing it was impossible for the CNGSB not to face the issues. The entire population is demanding clear solutions. The people want the CNGSB to tell them why they kidnap and attack the civilian population.

[Reporter] Mr. Minister, when you state that the CNGSB has let the country down by not coming through for it, and will continue to do so, does this mean that the talks are up in the air? Is the future of the talks uncertain?

[De la Calle] For the time being what we have is a recess. The government hopes that the talks will be resumed but we are not going to change our policy on this issue. Our policy has two aspects: there is the possibility of a dialogue, but there is also the possibility of stepping up military action. This is why military action has never been conditioned, hindered, nor mitigated by the dialogue. What we have now is a waiting period, hoping that the dialogue will be resumed. The government continues to advocate—as it has in these past months—the possibility of a peaceful solution through dialogue; this is considered an easier option for the nation. It will continue, however, to enforce military action in the four strategic areas, as it has been doing, is doing, and will continue to do.

[Reporter] Mr. Minister, since you talk about enforcing military action, what are the latest results on the operations being waged in Guayabero, Uribe jurisdiction.

[De la Calle] The operations being waged—well known to the public—did not commence the weekend of 2 May,

but some time ago. These operations are simply the Armed Forces fulfilling their duty. Their duty is undertaken with great honor and great effort, and the nation must recognize this. These operations have not been hindered by the possibility of a dialogue, neither will they be hindered in the future if the CNGSB decides—as it should—to confront the issues that the government is putting on the table for discussion.

[Reporter] It is being said that the dialogue could be resumed in October, in Spain, on the Quincentennial of the discovery of America. Would the government accept this—apparently a CNGSB proposal?

[De la Calle] I have no specific details right now on that possibility, therefore I do not wish to speculate. We hope that this situation will clear up. For now, the public is aware that the dialogue has been suspended, and the government reiterates that it will not change its policy because of this suspension. This policy has two sides: the possibility of a dialogue and the military action that will continue throughout the nation.

[Reporter] Could the fact that an agenda was drawn up that did not grant top priority to the kidnapping and cease fire issues, be considered a government error?

[De la Calle] I do not think this was an error. What we achieved in Caracas was very interesting. First, we agreed on an agenda that included these issues. Then, the CNGSB indicated—at the end of the suspension of talks in Caracas—a certain respect for the civilian population's rights. Later, these rights were not respected by the CNGSB. It is truly regrettable that what we thought we had achieved at the end of the dialogue in Caracas, was lost during the deadlock in Tlaxcala. Moreover, incidents such as the death of Argelino Duran and the intensified rate of the kidnappings—which no one can deny have reached intolerable levels— have had an effect on public opinion. Therefore, the circumstances themselves have prompted the government to take into account the clamor of public opinion for clarity on these issues.

[Reporter] In its communique the government does not refer to the kidnapping of Dr. Norberto Morales Ballesteros. The agreement specifies a date for the dialogue's resumption. Is it subject to a guerrilla commitment to free Dr. Morales?

[De la Calle] The communique does not say so, but the government is indeed demanding the release of not only Dr. Morales, but of members of the police and public force that the guerrillas have admitted they hold.

I would like to make a few clarifications. The government is calling for the immediate release of the people that the guerrillas have admitted they are holding. There are times when the government claims that the CNGSB kidnapped someone but the group denies it. We are requesting a procedure, involving the Attorney General's Office, that will help us resolve such cases, and determine once and for all whether the CNGSB carried out the other kidnappings.

[Reporter] Mr. Minister, is the government not planning to change its position on the agenda's two main demands if there is another dialogue in the immediate future?

[De la Calle] No, it does not plan to do so, because they constitute national demands and the wishes of all Colombians. We said we would be willing to participate in a round of talks if we could begin by addressing the kidnapping issue. That is still our position unless the CNGSB unilaterally changes the conditions, for example, by immediately releasing all the people that have been kidnapped. If that happened, we would focus our attention on establishing procedures to determine whether the other victims are in guerrilla hands.

[Reporter] Mr. Minister, has the government figured out what is the secret reason behind the CNGSB's decision to request this recess in the talks?

[De la Calle] No, they said they have second thoughts about the process, but we believe that there is no reason for that. I do not believe that there is much to rethink, for example, about the kidnappings. However, we will obviously have to allow the guerrillas to think things over and reinvite them to the negotiating table as soon as is possible, to discuss the issues that are truly urgent to all Colombians.

[Reporter] Mr. Minister, what would happen and what will be the Colombian Government's position if the CNGSB, in its reply to the government today, fails to commit itself to respecting the terms of last year's agreement: to not attack civilians, to abstain from terrorist actions against the economic and electrical infrastructure, and so forth?

[De la Calle] Yes, as I said, we have always advocated a two-way policy. In addition to the dialogue we have strengthened military actions. The so-called war tax, which I would actually call peace tax, has been targeted to create mobile brigades, improve intelligence networks, and improve the street lighting system to deter attacks. We continue to perfect the government and hope that our military actions will protect civilians.

As everyone knows, terrorism occasionally causes damage that is difficult to control. This happens here, in Ireland, and in London. The authorities hope to achieve a reasonable measure of control over the situation. But obviously, the consequences of kidnapping are sometimes uncontrollable.

[Reporter] Mr. Minister, once the dialogue is resumed you will start discussing specific issues. In the government's opinion, what are the main areas of agreement and the main differences between the CNGSB and the government?

[De la Calle] If we obtained the release of the kidnapped that the guerrillas have admitted to; if we managed to

establish a procedure to solve the other kindnappings; and if we could make the CNGSB accept the commitments made in Caracas concerning the protection of the economic infrastructure, especially those related to electricity, gas pipelines, and other elements that are vital for the Colombian people—that would create the atmosphere that the government has been demanding to resume examining the agenda.

The government has not refused to study the agenda; in fact, it was criticized for agreeing to reveal its policy on other issues, such as economic openness, in Tlaxcala. The government is still not afraid to reveal and discuss its policy in any forum, as long as the conditions we have been demanding are met.

[Reporter] Finally, Mr. Minister, what is the deadline set by the government to resume the dialogue? The communique states it is advisable for the country to ensure that this is not an indefinite recess; that it should have a time limit.

[De la Calle] I would only say that from the government's standpoint, the sooner the better. Our position is to keep the recess as short as possible. That is the issue we are now addressing. I will be contacting Mexico today—I have not yet done so—to establish the final details.

Paraguay

Foreign Minister To Mediate in Peruvian Crisis

PY0405131692 Asuncion ABC COLOR in Spanish 4 May 92 p 10

[Excerpts] Foreign Minister Alexis Frutos Vaesken has characterized his being chosen as a member of the good offices mission, which will mediate as of today in Lima between President Alberto Fujimori and the group that supports Maximo San Roman, as "acknowledgment and a demonstration of confidence in our democratic system." Just before departing for Peru, the minister said: "It is a distinction for Paraguay because we will be mediating for democracy."

The minister said: "Naturally, I appreciate this distinction for our country. Perhaps it is a demonstration of confidence in our democratic system." He made these remarks on 3 May just before boarding the Argentine Airlines plane that took him to Buenos Aires on the first leg of his trip. Frutos departed Buenos Aires for Lima at 1800 [2100 GMT] in an Aeroperu plane which makes a stopover in Santiago. The minister will remain in Peru until 6 May.

After saying that "this is an acknowledgment and a demonstration of confidence in our country because we are mediating for democracy," Frutos commented that he will meet first thing today in the Peruvian capital with OAS Secretary General Joao Clemente Baena Soares, Uruguayan Foreign Minister Hector Gros Espiell, and with Canadian Foreign Minister Monique Landry [title as published]. It has been learned that Honduran Foreign Minister Mario Carias Zapata also will participate in the mission. Frutos became a member of the negotiating mission replacing Argentine Foreign Minister Guido Di Tella who is currently in Portugal participating in an EC and Mercosur [Common Market of the South] meeting. [passage omitted]

Frutos indicated that they have no specific proposal to submit to the parties. "But even if we had one it would be difficult to reveal it before formulating the proposal," he added. He indicated that today he will initially meet with the other members of the good offices mission. He made it clear that they do not have a schedule because the mission wants to obtain a rapprochement between Fujimori and San Roman and, if possible, seek some compromise between them in order to achieve a democratic solution for the situation.

The foreign minister will return on 7 May and submit his report, with those of the other mediators, to the OAS. [passage omitted]

Finance Minister Comments on Talks With IMF

PY0105163392 Asuncion NOTICIAS in Spanish 1 May 92 p 9

[Text] Finance Minister Dr. Juan Jose Diaz Perez has said that, in order to ensure a balanced budget, this year the government will reduce expenditures—on the order of 52 billion guaranies—that have been described as "superfluous."

Diaz Perez said that these cuts will be made in the state's current expenditures, that is, in per diem allowances, overtime pay, or "anything that makes a public servant collect more than the budgeted money."

The state will also "save" through the reduction of subsidies for cotton following the improvement in the international cotton price. The subsidy that the government is providing does not have a direct relationship to the international price. As better prices are paid for national cotton, the state has to make less of a contribution.

Diaz Perez explained that the government hopes to agree with the IMF on following an economic program called "Shadow." To this end, a new mission, including Finance Ministry and Paraguayan Central Bank members, will be sent to Washington. This mission will negotiate with the IMF on joining this program.

The "Shadow" program involves a number of IMF guidelines that our country would pledge to implement, but without establishing rigid targets or severe conditions to gain access to possible standby loans.

Diaz Perez explained that although an economic program has not been established with the IMF, a plan has been followed, establishing increased discipline, both in monetary and fiscal policies. In this regard, he stressed that there will be no fiscal deficit this year, as predicted

by IMF experts. The finance minister said: "If we handle the expenditures issue very carefully, we will not have a fiscal deficit."

Peru

Fujimori Comments on Prison, Legal Reforms

PA0505041092 Lima Global de Television Network in Spanish 0100 GMT 5 May 92

[Text] President Alberto Fujimori announced today that the government, to make up for the time wasted by the judicial branch, will implement a massive prisoner release program at men's and women's prisons. He also said that mechanisms will be studied to prevent cases in which terrorists receive sentences that are too lenient.

The president spoke to the media after visiting the Chorrillos Prison for Women and the Natroperu factory on Comas and Argentina Avenue. President Fujimori said this enterprise will be supplied with $500,000 so that it can buy spare parts and equipment and put into operation sections of the factory that currently are not functioning.

The president was accompanied by Interior Minister General Juan Briones and National Police General Director Adolfo Cuba when he visited the Chorrillos Prison. He saw the maximum security section at this facility, which can house 100 arrested terrorist inmates. Canto Grande Prison inmates serving sentences on sedition charges will be brought to this section.

There are currently 446 inmates in Chorrillos Prison. Many of them have their children with them.

[Begin Fujimori recording] It is necessary that you know your rights and obligations. I want to congratulate your delegate for the fine way in which she has explained your situation here. I also want to tell you that I am going to send you 450 pamphlets that explain the rights and obligations of people found guilty by a court. You are going to have these pamphlets within three days. [applause]

The reorganization process is going to take us a few weeks because we have to examine all cases, from the department heads to the lowest level, including court secretaries. I am going to dismiss all corrupt people.

This week we will issue a law decree to examine the cases of those who have been found guilty and those who have already been sentenced to serve prison terms of six years, four years, three years, etc. The sentences being served are probably much longer than the prison term called for by the state attorneys. In all such cases, those inmates will be released immediately following a public hearing. [applause] [end recording]

OAS Mission Requires Rapid Democratic Recovery

PA0505024392 Lima Global de Television Network in Spanish 0100 GMT 5 May 92

[Text] A three-hour working meeting took place on 4 May between the Peruvian ministers headed by Foreign Minister Oscar de la Puente and the OAS mission headed by Uruguayan Foreign Minister Hector Gros Espiell. In statements to newsmen, they noted that there may be differences in form, but that basically they agree on the need to return as soon as possible to democratic institutionality.

At the end of the three-hour working meeting, the members of the ad hoc OAS mission, together with their Peruvian hosts, held a news conference to say that, except for some differences in form, they basically agree on the need to return as soon as possible to democratic institutionality, to carry out constitutional reforms, and to permit the people to participate in the adoption of major decisions.

The foreign ministers, headed by Gros Espiell, announced their recommendations on what was described as the phase to overcome the situation now occurring in Peru.

[Begin de la Puente recording] As Foreign Minister Gros Espiell has said on behalf of such an illustrious delegation, the points of agreement are much more numerous than those on which we disagree with regard to aspects of form. Fundamentally, we all agree on the need to find a solution that will permit Peru, as has been stated on repeated occasions, to return to institutional legality, considering, as always, that we are part of this organization of fraternal countries which we will never leave. [end recording]

[Begin Gros Espiell recording] We are very pleased to be in Lima again, undertaking this very important effort, so significant for Peru, for America, for the future of continental democracy, and for the entire system of the OAS, so that within as short a time as possible Peru will find and return to an overall constitutional and democratic institutionality. We have had, I believe, a very fruitful working meeting, a very frank and broad working meeting in which the criteria were completely and fraternally discussed. We discussed the points of agreement with complete frankness. We studied the points of agreement, that is, the need for a swift return to constitutionality and overall democracy. We share the conviction that this is an exceptional, temporary situation, from which we must emerge, and agree that there must be a democratic solution with a view toward constitutional democracy.

We have examined the various paths toward achieving this objective. I believe that what unites us is so important and the objective that we seek is so important that all differences, whether they are formal or have to do with the process, must be set aside for the sake of obtaining the end result.

In light of this, the OAS and our countries—which do not want to and cannot intervene in the domestic affairs of Peru, because this is a matter that is exclusively up to the Peruvian people to freely decide—want to be a factor and an instrument for dialogue, for understanding of the Peruvian people, and for constitutional and democratic recovery. I am confident that, united by the same constitutional and democratic ideal, convinced of the need to reach this result, with the cooperation of all, with an open dialogue, without any exclusion, and with a formal commitment on how to reach this result, we can leave Lima in a couple of days with positive results so that the meeting of foreign ministers in the Bahamas on 17 May will be the formal definition of an institutional way out for the constitutional and democratic recovery of Peru. [end recording]

Former Minister on Relationship With U.S.

PA0405221692 Lima Panamericana Television Network in Spanish 0100 GMT 4 May 92

[Commentary by former Foreign Minister Jose de la Puente Radbill]

[Text] There is no doubt international attention, at least the attention of the American Continent, is focused on Peru. A recent incident between a U.S. Air Force plane and two pursuit planes of the Peruvian Air Force seems to be moving out of the military sector in both countries and dangerously entering the political arena. Sensationalist media have carried reports—each more fantastic than the previous—ranging from accusations of sophisticated U.S. air espionage and actions by the competent Peruvian authorities in confronting the Mafia and drug trafficking by air, to allegations that the DEA itself is involved with the Mafia. In addition, the incident is being blown out of proportion in the U.S. House of Representatives with accusations against Peru made by U.S. Congressman Dante Facell.

All the allegations must be refuted and clarified by military authorities in both countries. Otherwise, they would be doing a favor for the drug traffickers, who would be pleased with a confrontation between two countries that should be partners in the struggle against drugs. Apparently, the case falls within the procedures used to intercept foreign planes overflying Peruvian airspace without a flight plan or proper identification. In any event, it would be advisable to clarify once and for all if the usual air navigation requirements were met.

However, what seems to prevail in this case is mutual distrust on both sides, aggravated by the weariness generated by the permanent tension of the air struggle against drug trafficking. Those factors—which could explain the incident—could be affecting the military pilots and crew members of Peruvian and U.S. planes. In addition—and this is serious—the aid given to Peru for its struggle against drugs could be reduced.

It is a big mistake. Therefore, the Peruvian Foreign Ministry and the U.S. Department of State must draft measures in collaboration with their respective Air Forces to prevent similar incidents in the future and eliminate the seed of mistrust. Pragmatism and good faith should prevail between partners. The contrary would be a return to the age of international obscurantism that existed prior to a constructive and open inter-Americanism.

On another subject, we have news of the arrival in Lima of the second mission of foreign ministers accompanying the OAS secretary general. This visit should contribute toward defining our country's political situation. However, the consensus seems to be that three specific points are recommended to face a de facto situation: reducing the deadline set in the timetable proposed by President Fujimori to six months, improving its contents, and diverting the idea to a more traditional institution representing other forces in addition to political organizations, which will truly represent the great majority.

We must also note the importance of the presence of foreign ministers, including the Canadian foreign minister, which could be a factor for additional pressure and which could definitely be a double-edged sword.

San Roman Announces Postponement of 5 May Rally

PA0505031392 Lima Global de Television Network in Spanish 0100 GMT 5 May 92

[Text] In a note to the press, Maximo San Roman announced today that the meeting called for Tuesday, 5 May, in San Martin Plaza, has been postponed until further notice.

In the note, San Roman explained that he made this decision because his request to hold the public rally had been denied.

Communique Authorizes Rally

PA0505031592 Lima Global de Television Network in Spanish 0100 GMT 5 May 92

["Official Communique" issued by the Joint Command of the Armed Forces of Peru in Lima on 4 May]

[Text] The Joint Command of the Armed Forces advises the public of the following:

1. Various media have issued reports that city authorities allegedly denied a request by Maximo San Roman Caceres to hold a public rally in the near future.

2. The Joint Command of the Armed Forces has arranged for national security officials in the downtown sector to authorize the activity planned by Mr. San Roman.

3. Citizens are reminded that there is no restriction whatsoever on holding public events, as long as these events are peaceful and permission is requested from proper authorities in a timely manner.

[Issued] Lima, 4 May 1992

Survey Shows Fujimori Continues Popular Support

PA0405173592 Lima Panamericana Television Network in Spanish 0100 GMT 4 May 92

[Text] We do not know if the saying is true that the voice of the people is the voice of God, but it does seem clear that the voice of the people currently has a decisive role in the country. Whether the return to democracy is determined by referendum or constituent assembly, the people are involved. Opinion polls are therefore of particular importance now. This survey was conducted by Apoyo Inc., in Lima, from 22 to 23 April. It is believed to be 95 percent reliable.

Do you approve or disapprove of the 5 April break in constitutional order? The result showed that 70 percent approved; 18 percent disapproved. Approval was greater among women, at 77 percent; and among young people 18 to 24 years old, 76 percent.

What do you think was the main cause of the democratic regime's rupture? The three most often cited reasons were widespread corruption, 32 percent; inefficiency of Congress, 22 percent; the need to change the state structure, 17 percent.

Who do you recognize as president of Peru? Alberto Fujimori, 84 percent; Maximo San Roman, 8 percent; undecided, 8 percent.

Do you think Fujimori planned from the beginning to restore democracy in 12 months, or do you think the timetable is the result of pressures at home and abroad? He planned it from the start, 44 percent; the result of pressures, 42 percent; undecided, 14 percent.

Do you think Fujimori will abide by this timetable? Yes, 70 percent; no, 14 percent; undecided, 16 percent.

Which of the following mechanisms would you prefer initiate a return to democracy? The timetable proposed by Fujimori, 68 percent; immediate presidential and congressional elections, 15 percent; allow San Roman to take office and summon a constituent congress, 7 percent; undecided, 10 percent.

The timetable, which is the preferred choice, has a 71 percent approval rating at socieconomic levels B and D [not further identified], and 78 percent approval among young people 18 to 24 years old.

Another question that will prompt a great deal of discussion. If the referendum announced by Fujimori to confirm his government were held tomorrow, how would you vote? In favor, 72 percent; against, 9 percent; blank vote, 10 percent; null vote: 1 percent; would not vote, 4 percent; undecided, 4 percent. The greatest percentage in favor seems to come from socieconomic level D, the poorest, with 79 percent; and among those over 40 years old, with 75 percent.

Another burning question. Do you think Fujimori should resign if he loses the 5 July referendum? Forty-five of every 100 persons surveyed said yes and 46 said no. At socieconomic level A, 61 percent said yes.

Apoyo Inc., then posed a fundamental question. What would you suggest to the political parties? To accept the dialogue with Fujimori, 83 percent; adhere to their stance against it, 9 percent; undecided, 8 percent. Advice in favor of a dialogue is strongest at the lowest socieconomic levels; 84 percent at level C; 86 percent at level D. The advice to accept the dialogue with Fujimori reached 91 percent among 18-24 year olds. This figure reaches 84 percent among 25-39 year olds; also, 84 percent of women surveyed agreed.

Now we get to the national figures. What do the people think of political leaders' actions since 5 April? Do they approve or disapprove? Of those surveyed, 81 percent approved and 16 percent disapproved of Alberto Fujimori's actions; Javier Perez de Cuellar: 51 percent approved, 25 percent disapproved; Fernando Belaunde Terry: 19 percent approved, 70 percent disapproved; Mario Vargas Llosa: 15 percent approved, 71 percent disapproved; Felipe Osterling: 15 percent approved, 73 percent disapproved; Maximo San Roman: 12 percent approved, 80 percent disapproved; Roberto Ramirez del Villar: 11 percent approved, 73 percent disapproved; Alan Garcia Perez: 9 percent approved, 83 percent disapproved; Carlos Garcia Garcia: 8 percent approved, 78 percent disapproved.

Finally, do you think Carlos Bolona should remain as economy and finance minister? Yes: 68 percent, with 76 percent from socieconomic level A and 77 percent from socioeconomic level B. No: 23 percent, with 19 percent from socieconomic level A and 16 percent from socioeconomic Level B. Young people as a group supported this young minister: 72 percent answered yes.

Government Appoints Supreme Court Magistrate

PA0505004992 Lima Radio Programas del Peru Network in Spanish 1800 GMT 4 May 92

[Text] Carlos Eduardo Hermoza Moya has been appointed by the national emergency and reconstruction government as provisional magistrate [vocal] of the Supreme Court of Justice.

The temporary appointment of Mr. Hermoza Moya, who held the position of magistrate with the Lima Supreme Court during the past ten years, has been authorized per Decree No. 25474.

Venezuela

Diplomatic Relations Established With Latvia

PA0505022192 Caracas Venezolana de Television Network in Spanish 0000 GMT May 92

[Text] It has been learned that Venezuela and Latvia have established diplomatic relations following an

exchange of notes between Venezuelan Foreign Minister Humberto Calderon Berti and Latvian Foreign Minister Janis Jurkans.

According to the notes, Venezuela and Latvia will now strengthen political, economic, cultural, and cooperation ties for the benefit of the people of those countries.

* Ciliberto Responds to Corruption Charges

92SM0367A Caracas EL NACIONAL in Spanish Section D 27 Mar 92 p 4

[Interview with former Minister of the Interior Jose Angel Ciliberto by correspondent Carlos Fernandes; place and date not given; reported in extract by Rosita Caldera]

[Text] During the last three years the country's attention has not strayed from one of the most detestable cases of corruption—after the scandal about the Recadi dollars—because it seems to involve a President of the Republic, Jaime Lusinchi, his Minister of Interior, Jose Angel Ciliberto, who on several occasions provisionally assumed the supreme office of chief of state, as well as the then private secretary of the Presidency, Blanca Ibanez Pina—today Mrs. Lusinchi, and other figures from the chief of state's entourage.

Three years after the exposure of the fraudulent purchase of several cross-country vehicles with confidential MRI [Ministry of the Interior] funds, which were then distributed to activists of the AD [Democratic Action], this case, that of "the Jeeps," remains active on the political agenda of Venezuelans: it figured among the arguments used by the attempted coup perpetrators to justify the military uprising of 4 February; it is mentioned constantly as an example of official corruption; it is cited as a typical example of crimes without criminals and as the judicial proceeding that paralyzed the Supreme Court of Justice, which is now tied up in the historic dilemma of whether to place ex-President Jaime Lusinchi on trial.

Jose Angel Ciliberto admits that he purchased the vehicles in August 1988 but denies participating in their distribution.

That irregularity went unnoticed until EL NACIONAL began an investigation, working with information gathered from very reliable sources, and was able to unravel for the benefit of public opinion this act of administrative corruption at the highest level of government.

More than a newspaper scoop, the disclosure made by EL NACIONAL and then picked up by the nation's press became an open and public battle between the truth and an official cover-up.

Following the accusations made by EL NACIONAL, Jose Angel Ciliberto denied that the matter had any importance and declared that he did not concern himself with "these trifles," the same ones because of which he is now a fugitive from Venezuelan justice.

It is worth remembering that an offensive of denials and threats was launched at the time from the government against EL NACIONAL, especially when the two communications signed by Jorge Mogna that confirmed the truth of the accusations were published: one dispatched the vehicles to Miraflores, and the other registered receipt on behalf of the military household of the presidency, undersigned by Colonel Ramiro Zambrano.

The attack against EL NACIONAL was ferocious. Lusinchi claimed the documents were forged. In a like manner, in June 1989 President Carlos Andres Perez intervened to deny that the vehicles had passed though the Military Household, and Alejandro Izaguirre maintained, following a Congressional inquiry, that the accusations were false.

The acts that were denounced were subsequently substantiated: the Tribunal of Safeguards confirms the arrest warrants issued for Jose Angel Ciliberto, Jorge Mogna Salazar, Omar Camero, Blanca Ibanez, Ivan Enrique Lugo Arias, Oswaldo Domingo Aznar Tumez, and Eleazar Gonzalez Briceno. The Tribunal is asked to continue investigating and to pronounce sentence in the cases of Fernando Rodriguez, Orbito Rodriguez, Maria Eugenia Bigot, and Marisol Raydan. In February 1991, the court confirmed the arrest warrants and recently requested the extradition of Ciliberto, Blanca Ibanez, and other implicated persons who live abroad.

The press contributed much to the clarification of these facts. In the case of EL NACIONAL, in spite of the threats and attacks, the accusations in a certain sense changed the course of Venezuelan political history; never before during the democratic period had an attempt been made to bring a president to trial for administrative corruption, as has now been attempted with Jaime Lusinchi and part of his entourage.

Jose Angel Ciliberto lives in the United States and agreed to be interviewed by journalist Carlos Fernandes, to whom he made ample disclosures that will be transmitted today on Venevision in the early morning hours. The following are extracts of those statements made "somewhere in the State of Florida" where he receives visits by Venezuelans who bring him greetings, recordings, and newspaper clippings.

Why Me?

[Ciliberto] I knew about the extradition request made by the Tribunal of Safeguards, but it is unconstitutional. In the chapter on guarantees, the Venezuelan Constitution clearly establishes that trials involving public property can be conducted in the absence of the accused, and I have fallen back on that principle, which is inalienable. That chapter also establishes equality among citizens, there can be no first class and second class persons, and I am not the only person in this case being judged by the Tribunal of Safeguards who lives abroad. Therefore, why me, when there are a dozen compatriots abroad and no extradition initiative has been taken against them? Furthermore, there are international agreements with the

United States and with the countries of Latin America that do not allow extradition in the case of political trials, and this is one, that is very clear and precise and it will be seen that way.

If the Supreme Court of Justice, for political advantages imposed on it, agrees to the extradition, I will go to Venezuela to face the attacks. I do not plan to skip from country to country and hide.

Lusinchi's Switch

Journalist Carlos Fernandes asked him if he feels that his case and that of Blanca Ibanez are receiving similar treatment.

[Ciliberto] There is no reason to confuse one thing with the other. Mrs. Lusinchi, Blanca Ibanez, never intervened or interfered with my work as a congressman, nor as minister of development, nor as minister of the interior, nor as acting president. I would be a liar if I said that she ever picked up the telephone to ask me for anything. My relations with her were cordial and respectful. She knows that I am not a man to be ordered about or told what to do in political matters. I have sufficient firmness to carry out my own decisions.

With regard to Jaime Lusinchi, he added:

[Ciliberto] This is an old story, and I have told it many times: When this problem arose I said, under the ceiba tree of San Francisco, that it was trivial. I knew the procedure for the purchase and shipment of the Jeeps. It was normal, done within the established legal standards. When the problem came up, Jaime Lusinchi and I agreed—he and I—to develop a strategy aimed at public opinion, which was what mattered to us. We would travel around the country, we would visit the districts, we would write articles for publication; it would be a campaign to persuade people that we had acted honestly and in the interests of the government. All of a sudden I find that the strategy is not carried out. The president came to Miami. I came three times to persuade him that we should do something. We reaffirmed here the commitment to carry out—President Lusinchi and I—the planned strategy in Venezuela. Two months later he arrives at Carlota, and he comes out and says that he has not seen me, that he knows nothing about the Jeeps, and that he has nothing to do with the matter.

That attitude surprised me, but it also caused me a very serious spiritual wound. When one loses a friend, it is worse than death. A friend who failed me in the face of such a serious problem. I reacted like the human being that I am, who has a life to defend, a reputation in the country. Why did Jaime switch? I do not know; I do not know if it was because of the personal situation that he was living through at that time.

I Purchased the Jeeps; I Did Not Distribute Them

[Ciliberto] I have never denied that I purchased the Jeeps. I shouldered my responsibility. I paid for them with funds from the confidential account of the Ministry Of Interior. I said, and I repeat, I did not distribute them. I paid with a cashier's check, and those vehicles were sent to Miraflores, and that is on the record. The shipping documents are also on the record, as well as the receipts of the Military Household that allowed them entry into Miraflores. The Jeeps reached Miraflores, and they were parked in Plaza Cuatricentenaria for more than 15 days. I was out of the government when the distribution of those vehicles began. I was no longer interior minister. So to connect me to that distribution is an intolerable lie. It is not true.

This is a political problem where each person implicated has a different criterion. For example, when they asked President Perez if the Jeeps had arrived at Miraflores, he said: No, those Jeeps were never at Miraflores. Am I going to say that the president lied? No, he simply was not informed. But there are records that they were received at Miraflores. The president did not review the file, and he came out and said: No, the Jeeps were never at Miraflores.

Lusinchi Should Have Been Imprisoned for Recadi

[Ciliberto] One of the things I have to complain about publicly to President Lusinchi is that he has not wanted to face up to this problem. It is not possible that Lusinchi, Blanca Ibanez, and I are the only three corrupt persons in Venezuela. I told him once, and I am going to reveal it here for the first time, when the problem arose of the ex-ministers who had arrest warrants issued against them, he should have gone to El Junquito and said: I am the prisoner here because I was the president and I supported the Recadi policy.

Ciliberto expressed surprise in the interview over the conduct of Omar Camero, for whom Ciliberto signed a letter two and a half years ago that freed Camero of responsibility in the case of the Jeeps and is now being publicized by Camero's children.

[Ciliberto] I signed it at the request of Camero and of his lawyer, Perez Perdomo, who came to my home with the text already prepared, saying that President Lusinchi was fully aware of the matter. It was an agreement between gentlemen. But when Camero was asked in the Senate committee whether there was any document that showed I sent him instructions, he said no. I knew Camero because I saw him with sickening frequency in the president's antechamber.

At this point Carlos Fernandes asked about the connection between Camero and the case of the Jeeps, and Ciliberto pointed out that it is through Administradora El Pao, property of Camero, that the vehicles were acquired by Jaime Lusinchi's direct instruction.

The Case of the Dollars

He supposes they prepared a trap for him, such as accusing him of stealing $300,000.

[Ciliberto] I handled many millions of dollars. I am not going to be so stupid as to pocket $300,000 from narcotics trafficking and give a receipt for it. When I saw that they were issuing an arrest warrant for me in the affair of the money, I said: There is no justice here and my family and friends are right when they tell me to go away. To issue an arrest warrant against me for this is the height of arbitrariness. That is why the Supreme Court revoked it immediately.

The Cowardice of the CEN

[Ciliberto] I earned my stars by fighting, I served in all the positions, as a boy I was a resistance leader, and they, well, they kicked me out of AD without any consideration. My comrades in the CEN [National Executive Commitee], with great cowardice, did not have the loyalty or the sense of comradeship to defend me but instead threw me to the lions, and now they are saying again: He must be extradited. But they are the ones who advised me to come here.

The Extradition

He believes that the attorney general's office or the Supreme Court, acting justly, are going to exonerate him. "The comptroller already issued a sentence that mentions administrative irregularity only (Ciliberto appealed it), and another tribunal cannot say that there is a crime with that precedent, about which the press has said nothing."

[Ciliberto] If the arrest warrant for the Jeeps is examined with a sense of justice, it will bring me absolution. I hope that the Court denies the request of the Tribunal of Safeguards, but if the outrage of extradition is committed, I am going to Venezuela. I am not going to flee. Venezuela knows that I have not committed any crime. I feel betrayed. I feel cheated.

* Caldera Tops Fernandez in Opinion Poll

92SM0369A Caracas EL UNIVERSAL in Spanish Section 1, 28 Mar 92 p 16

[Article by Vladimir Villegas Poljak: "The Image of the Government Is Deteriorating"; first five paragraphs are editorial introduction]

[Text] The consolidation of the presidential candidacy of Rafael Caldera, former president and senator for life, the negative image of the government, the view of the armed forces as the institution of greatest prestige and reliability, and the loss of popularity of a military solution to the crisis facing the country are four of the most important conclusions brought out in the Mercanalisis poll, conducted between the last few days of February and the first two weeks of March 1992.

In response to a question about which of the following preliminary candidates would be a better president, Caldera obtained 29 percent; Eduardo Fernandez, 13 percent; Claudio Fermin, eight percent; Luis Pinerua Ordaz, six percent; Ramon Escovar Salom, five percent; Italo Alliegro, five percent; and Teodoro Petkoff, three percent. Other candidates, including Luis Herrera, Carmelo Lauria, Carlos Canache Mata, and Humberto Calderon Berti barely obtained one percent each.

From the results it appears "Caldera is drawing support away from all of the preliminary candidates, and that those most affected in their level of support are Fernandez and Fermin."

The poll was taken in Caracas, Maracay, Valencia, Barquisimeto, Maracaibo, San Cristobal, Puerto La Cruz-Barcelona, and Ciudad Guayana. In each one of those cities the former president is ahead; while Fernandez is nearest to him in the State of Zulia. In Zulia, Caldera had the support of 31 percent of those polled, against 26 percent for the secretary general of COPEI [Social Christian Party].

Ahead Among COPEI Supporters

Among COPEI supporters, Caldera obtained 52 percent support in response to the question of who would be the best president of Venezuela. Fernandez obtained 29 percent; Calderon Berti, two percent; and Luis Herrera, one percent.

Democratic Action Party [AD] supporters answered the question in the following way: Claudio Fermin, 20 percent; Rafael Caldera, 16 percent; Luis Pinerua Ordaz, 15 percent; Eduardo Fernandez, 12 percent; Carlos Canache Mata, one percent; and Lauria, one percent.

Those who said they prefer the Movement Toward Socialism favored Teodoro Petkoff and Rafael Caldera equally, with 17 percent, in response to the question of who would be the best president.

Supporters of other political groups gave Caldera 28 percent support, compared with five percent for Fernandez, two percent for Fermin, 12 percent for Alliegro, seven percent for Luis Pinerua Ordaz, and nine percent for Ramon Escovar Salom.

Among those who do not support any particular political party, Caldera obtained 27 percent support, compared with Fernandez, with eight percent; Fermin, five percent; Alliegro, six percent; Pinerua, four percent; and Ramon Escovar Salom, six percent.

Regarding support for political parties, COPEI had 21 percent support, compared with 17 percent for AD; seven percent for the MAS [Movement Toward Socialism]; and six percent for other, unidentified parties. Those who did not support any political party amounted to 48 percent of those polled.

View of the Government

Venezuelans' view of President Carlos Andres Perez's government, according to this Mercanalisis poll, is increasingly negative. Some 25 percent of those polled call his administration very bad; 26 percent, bad; 39 percent, average; eight percent, good; and one percent, excellent.

In February 1991 the situation was very different for the Perez government. At that time 14 percent called it very bad; 19 percent, bad; 53 percent, average; 11 percent, good; and one percent, excellent.

The lowest levels of confidence in the government are held by residents of Caracas, Maracay, and Valencia. AD supporters have a more understanding view of government activity. Independents are the most negative in their judgments. This is reflected in the different population segments polled by Mercanalisis.

Facts and Events: Of the incidents and events that have recently occurred in your city and in the world, which has interested you or drawn your attention the most?

	Total	Caracas	Maracay	Valencia	Barquisimeto	Maracaibo	San Cristobal	PLC-Barcelona	Ciudad Guyana
Base	1000	350	90	110	90	150	70	70	70
Coup Attempt	91	89	91	90	97	96	87	94	89
Change in Soviet Union	1	1	—	—	—	—	—	1	—
Other International Event	2	3	—	—	2	1	—	1	—
Other National Event	2	3	4	5	—	1	1	—	—
None; Do Not Know	2	2	4	1	—	1	7	1	4

Note: PLC is Puerto La Cruz; figures are in percentages in this and following tables.

Which of following defects displeases you most among political leaders and government officials?

	Total	Caracas	Maracay	Valencia	Barquisimeto	Maracaibo	San Cristobal	PLC-Barcelona	Ciudad Guyana
Base	1000	350	90	110	90	150	70	70	70
Corruption and Dishonesty	72	65	82	78	79	70	66	74	76
False Promises/ Insincerity	16	19	11	10	12	17	20	16	17
Incompetence/Inefficiency	6	7	3	5	8	5	4	1	4
Laziness/ Idleness	2	3	1	5	—	3	3	3	1
Showing Off/Presumption/ Arrogance	3	5	—	1	1	5	4	4	1
No response	1	1	2	1	—	1	3	1	—

Credibility on Large Projects: Do large social projects really benefit the most needy or not?

	Total	Caracas	Maracay	Valencia	Barquisimeto	Maracaibo	San Cristobal	PLC-Barcelona	Ciudad Guyana
Base	1000	350	90	110	90	150	70	70	70
Yes	33	31	24	39	41	31	37	31	33
No	49	50	58	48	47	54	49	36	39
Do Not Know	18	19	18	13	12	15	14	33	29

Social Tension: Do you think that people who have more money are generous or stingy toward those who have less money?

	Total	Caracas	Maracay	Valencia	Barquisimeto	Maracaibo	San Cristobal	PLC-Barcelona	Ciudad Guyana
Base	1000	350	90	110	90	150	70	70	70
Generous	3	4	2	5	3	2	3	4	1
Stingy	89	85	91	85	96	95	91	86	89
Some of Both	4	5	2	5	1	1	1	1	6
Do Not Know	4	6	4	5	—	2	4	4	6

The Economy

As to whether the economy of the country will improve over the next 12 months, 23 percent think it will, while 28 percent think it will stay about the same. Forty percent think the economy will get worse; and eight percent said they did not know. In December 1991, 17 percent thought it would improve; 19 percent thought it would stay about the same; 59 percent thought it would get worse; and five percent had no opinion.

Regarding personal economic prospects, 35 percent of those polled believe they will improve; 33 percent think they will stay about the same; 26 percent think they will worsen; and six percent do not know.

Institutions Worthy of Trust

According to the poll, the national armed forces have 40 percent of the support of those polled as the institution that communicates total confidence to the country, despite having lost six points, compared to June 1991.

Confidence in mayors (and municipal councils) went down from 15 percent in June 1991 to 10 percent in this poll. The courts went down from 17 percent in June 1991 to nine percent. Departmental governors went up from 13 to 14 percent. The CTV [Confederation of Venezuelan Workers] stayed the same at six percent of those polled. The president of the Republic went down from nine to six percent. Congress went down from seven to six percent. Police forces went down from nine to six percent. Unidentified political parties went down from three to two percent. Cabinet ministers went down from two to one percent. Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] had the total confidence of five percent of those polled, compared with four percent in June 1991.

The Coup d'Etat of 4 February 1992

Regarding the real intentions of those who attempted to seize power on 4 February 1992, 47 percent of the sample said that the objective was to overthrow the government and establish a military regime. Some 17 percent said that the coup plotters intended to kill President Perez. Some 16 percent said that they wanted to end corruption and get rid of corrupt officials. About 13 percent said that they wanted to improve the country so that everything would be better. Eight percent said that they wanted to replace the president and put new people into government. Other reasons were given by three percent of the sample. About 11 percent of those polled said that they did not know what the intentions of the coup plotters were.

In response to the question of whether the people would support or oppose a new attempted military coup d'etat, 60 percent of those polled would oppose it; 24 percent would support it; 11 percent would do neither; while five percent of those polled refrained from answering.

According to the data, the people are less willing to support a military coup. In December 1991, 33 percent of those polled were inclined to support a coup, while 53 percent would reject it.

In other areas 50 percent of those polled believe that conditions will improve; 13 percent believe that they will get worse; 26 percent believe that they will not change; and 10 percent do not know. As Mercanalisis put it: "A very large proportion of the sample is skeptical and unbelieving (39 percent say conditions will worsen or things will not change)."